

CITY OF RICHWOOD

Information Required by Texas Senate Bill 656

This budget will raise more revenue from property taxes than last year's budget by an amount of \$139,144, or 10.05%, and of that amount, \$69,944 is tax revenue to be raised from new property added to the tax roll this year.

The City Council record vote of September 15, 2014 to adopt the FY 2014-15 Budget:

Council, Position #1, Paul Raymond	AYE
Council, Position #2, Melissa Blanks	AYE
Council, Position #3, Jarrod Beaty	ABSENT
Council, Position #5, Sarah Harris	AYE
Council, Position #4, Chris Hardison	AYE
Mayor Clint Kocurek	Votes only in the event of a tie

Rates per \$100 of property valuation:

Tax Year	2014	2015
Property Tax Rate:	\$0.73568	\$0.73568
Effective Tax Rate:	\$0.69516	\$0.696646
Effective Maintenance and Operations Rate:	\$0.64636	\$0.653360
Rollback Tax Rate:	\$0.74111	\$0.743030
Debt Tax Rate:	\$0.08931	\$0.082320

2014 Municipal Debt Obligations secured by property taxes:

\$1,911,012.70

CITY OF RICHWOOD

Mission Statement

To provide excellent city services that enhance the quality of life by working together to serve the public in an effective, efficient, professional and financially responsible manner.

Definition

Working together:

- creating an effective municipal team focused on delivering a high level of service to our customers

Our customers:

- include City Council, employees, the public, the business and educational communities, other municipalities and the Federal and State Governments

Effective:

- attaining specified goals and objectives
- ensuring on-going productivity and efficiency in the services being provided

Efficient:

- recognizing financial limitations and seeking to enhance services in innovative ways including partnerships with others

Professional:

- maintaining a highly trained and technically competent work force
- giving employees the authority to exercise judgment, as well as the responsibility for the effective use of that authority

Financially responsible:

- ensuring the resources of the City are efficiently used

CITY OF RICHWOOD

The City of Richwood is a Home Rule City operating under the Manager/Council form of government. Your City Council Consists of a mayor and five council members, who serve two year staggered terms, and are elected on an “at large” basis. Your City Council meets every second Monday of the month at 6:00 p.m. in City Hall. You are invited to attend any of these meetings. City Council is the legislative body of city government and appoints the City Manager who is responsible for appointing Department Heads, (City Secretary, Police Chief, and Public Works Directors) who are responsible for the general administration of the City on a daily basis. They are also responsible for appointing the Municipal Judges as well as the members of the boards and commissions, who volunteer their time and energy to the City.

The city is surrounded by Texas history and is built on land that was part of Stephen F. Austin's original land grant from the Mexican Government and is in close proximity to two major plant plantation sites, the Jackson Plantation and Eagle Island Plantation. Archeological research is currently on going at the Jackson Plantation site. In 1957, it was rumored that the City of Clute was about to annex the area known as Richwood, named after the owner of the land. Members of the community petitioned to become a village and in 1957 an election was held and incorporation was approved. At that time, Richwood was a village with no money, no tax structure, and no place to meet initially. The first City Hall was a one room building on Sycamore Street and has grown to close to over 5,200 persons and a tax base in excess of \$188,000,000.

From its humble beginnings in 1957 to its present evolvement, Richwood has been a people-oriented community. In the highly competitive marketplace of economic development, Richwood has shined in its greatest commodity --- its people. Caring, sharing people who continually give of themselves in various volunteer capacities to maintain and improve the quality of life they have established here. Richwood continues to grow to meet the challenges of the economy and to be a viable leader in all segments of its existence. It is a great place to live, to work and to be involved.



Gateway to Brazosport

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October, 2015

Honorable Mayor and City Council
City of Richwood
Richwood, Texas

Presented for your review and consideration is the proposed Fiscal Year (FY) 2015-16 Annual Budget and Program of Services. A joint cooperative effort of yourselves and the City Staff has culminated in this final budget document. The 2015-16 Annual Budget and Program of Services reflects the continuing commitment of the elected and appointed officials of our City to provide our citizenry high quality services at a very reasonable cost.

The annual budget is far more than a financial document. This budget document is also an important planning tool. We set not only next year's expenditures but relying heavily on the input from City Council through the annual budget questionnaires, we set our near and long term goals and objectives.

THIS PAST YEAR

The most notable event of the past year is the continued growth in the economy in the area. Most, if not all, of the major industries are in the process of building new plants. We annexed the 928 acres across the highway and are seeing more homes and apartments being built. Rooftops attract more business and we have room to grow.

MAJOR ISSUES FOR FY 2015-16

The City of Richwood is experiencing growing pains due to the economic boom in the area. Virtually every city in Brazoria County is experiencing a housing shortage. While we are seeing continued growth and a rising tax base, we are still struggling to keep up with the infrastructure needs.

This upcoming fiscal year, I am happy to report that we are able to begin replenishing our Fund Balances. Over the past few years, we've done extensive work on our infrastructure, primarily lift station rehabilitations and roadwork that has been put off for far too long. As always, we will continue to identify the inflow and infiltration problem areas and repair those areas, continue to work on improvements to the City's infrastructure and continuing the quality growth of our community.

THE BUDGET DOCUMENT IN BRIEF

Our budget document has evolved greatly over the years. I believe for the better. City Staff has continued to strive for excellence in the preparation and presentation of the budget. Our budget is much more than just a financial document. It is a planning document. So, not only do we plan for next year's expenditures, but also

for our short and long term future. We examine our policies, measure our successes and failures, and set our future course.

Our budget format remains relatively unchanged and we've incorporated as many of the guidelines established by the Government Finance Officers Association (GFOA) as practicable. Performance measures are being implemented to help put us on track for performance based budgeting. All of this is intended to improve the usefulness and readability of the budget

OVERVIEW OF THE FY 2015-16 BUDGET

We have been able to budget money in both General and Water/Sewer Funds to begin to replenish our Fund Balances.

General Fund

The most significant change this year is the addition of a new employee in Public Works. This employee has been placed in City Maintenance. Our Public Works Department consists of the Public Works Director, Crew Leader and 4 technicians. They take care of the drainage, streets, water, sewer, parks and property maintenance. The City has grown to the point that this small crew could no longer keep up with the demand.

I am incredibly pleased with how well staff worked together to make this possible. The Department Heads recognized the need for the new employee and everyone made the necessary cuts to make this possible.

The Police Department was able to find grants and other alternative programs to pay for necessary equipment which will save the City approximately \$80,000.

Water/Sewer Fund

Brazosport Water Authority significantly increased their rates this year. This is due primarily to the reverse osmosis system. Unfortunately this will be the first of several as they move to complete that and also to expand services to include Richmond. The City is also obligated to pay 25% of any capital projects at the jointly owned sewage treatment Plant. As a result, the line item for the Sewage Treatment Plant expenses increased due to our portion of the bond payments for the fine bubble diffusion project.

We are also budging to set back money for Fund Balance in the Water/Sewer Department. Because of these increases, we've had to substantially increase our utility rates. Due to problems with the electronic meters, we did not see the increase in revenues we had hoped. We should have those meters changed out soon. Prior to year end, both of the two new apartment complexes should be online. This should help us recover some, if not all of the losses of the past few years.

Replacement Fund/Capital Fund

There are no expenditures budgeted in these departments for the current year.

Transportation Fund

We have budgeted for \$100,000 again this year in this fund. In addition to repairing streets, we have budgeted

\$25,000 for Drainage. This will hopefully help us address some of the issues we experienced this past year.

Crime Control and Prevention Fund

This year's budget includes money for building maintenance and repairs as well as equipment. However, this may be amended early on in the fiscal year to allow for an additional officer. This will allow us to have 2 officers on duty on all shifts. This past year has been a difficult and dangerous time for police officers in this country and this will help keep our finest safe.

Summary

The total budget for the operating funds is \$4,101,583, an increase of 369,215 over the prior year's amended budget. The maintenance and operations portion of the tax rate will be 65.3360¢ per \$100 of valuation. The Interest and Sinking Fund is 8.2320¢. The tax rate for FY 2015-16 is 73.568¢.

As always we are working to meet all the needs identified by Council as indicated in their annual council questionnaire and citizens, meet the many state and federal requirements and regulations and fairly compensate a very hard working, loyal group of employees.

As the above demonstrates, we are in good financial condition. Besides our strong property and sales tax base, I believe this financial condition is due to the overall conservative way we conduct our business. As always, our continuing goal is to provide our citizens with the highest quality service at the lowest practical cost.

Strange as it may seem, despite the tough choices and the tough economic times, we once again enjoyed ourselves and had fun working on this budget. What made it so pleasant is that this budget was made possible by everyone working together towards the same goal - to provide the best possible service at the best possible price.

I feel that if the City of Richwood continues to experience the level of growth we have seen in the past and can keep the operating costs down while maintaining or improving our level of services, we will have no problem in competing in the global market for economic development with larger cities.

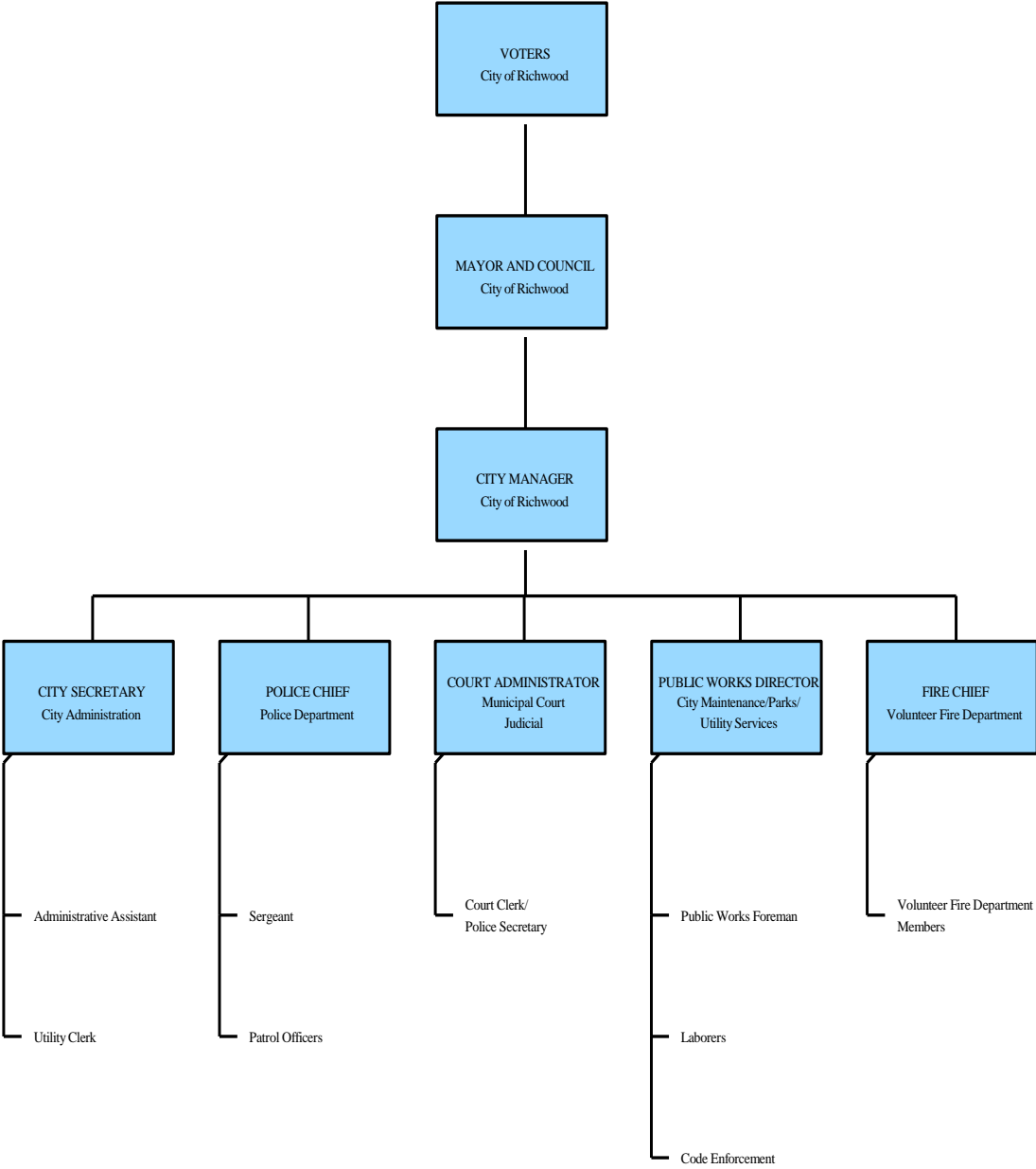
Sincerely,

(S)Glenn Patton

Glenn Patton

City Manager

ORGANIZATIONAL CHART



City Council Budget Priority Questionnaire

No Opinion	0	Continue Current Effort	4
Eliminate Current Effort	1	Increase Current Effort	5
Substantially Reduce Current Effort	1	Substantially Increase Current Effort	6
Reduce Current Effort	3	Initiate New Effort	7

Public Safety Type Services

Police Patrol	4
Traffic Law Enforcement	4
Animal Control	5.5
Fire Protection Services	4
Fire Prevention and Education	5
Ambulance Services	5.5

Public Works

Street Maintenance/Repair	4.5
Street Construction/Rebuilding	4
Drainage Improvements	6.5
Maintenance of right of ways	4
Appearance of city vehicles	5
Appearance of city buildings	5
Mulching/Wood grinding	2
Residential garbage collection	5.5
Residential large trash collection	7
Cleanliness of streets	4
Wastewater Treatment Plant	5.5
Water Storage/Reserves	4
Recycling efforts	5
Inflow/Infiltration policy	5.5
Park Maintenance	5.5

Community Development Type Services

Long Range Comprehensive Planning	5.5
City Beautification (Parks, Facilities, etc)	4.5
Code Enforcement – Demolition of Substandard Bldgs	5
Code Enforcement – High Weeds/Debris/Vehicles	5
Building Inspection	5

General Government

Public Relations	5
Employee Relations	5
Financial reporting and information	4
Municipal Court services	4
Utility Billing services	5
Budget Development	5.5
Records Management	5.5
Economic Development	6.5
Policy planning and development	5.5

Strongly Agree	4	Slightly Disagree	1
Slightly Agree	3	Strongly Disagree	0
Neither Agree or Disagree	2		

City Mission

The City provides the most responsive services possibly by focusing on the citizens as the customer	4.5
The City practices a well established policy of fiscal conservation	4
The City plans and provides for a strong infrastructure	4
The City recruits, develops and maintains a highly qualified staff	4
The City maintains highly effective equipment resources for delivery of services	3.5
The City provides a model environment in which to live by enhancing and preserving the City's unique beauty and quality of life	4

Policy Issues

An increase in the tax rate is warranted to provide enhanced services to our citizens	2.5
When developing the budget, staff should plan expenditures on existing rates and fees	4.5
Council is provided with thorough information and enough time to make informed decisions during the budget process	4.5
Council is provided with thorough information to make informed decisions on the issues facing the council	4.5
To balance the budget, more attention should be given to reducing expenditures rather than increasing tax rates or fees for services	4
The level of service to citizens should be the most important to citizens should be the most important consideration when	4

evaluating the budget	
Users of city services should pay fees to support the costs of the services instead of using general tax revenue to fund the services	3.5
Council works as a team to accomplish the work at hand and to see that the quality services are provided to our citizens	4
Services of the city are better than other areas in the Houston-Galveston region	3.5
Excess revenue should be used to support capital projects	3
Excess revenue should be used to increase fund balance	4
Excess revenue should be used to retire debt	4.5
Excess revenue should be used to enhance city services	3
Excess revenue should be used to reduce tax rate	3
The City's organizational philosophy should be to maintain a qualified work force adequate to meet the expectations of the community	4.5
Employee compensation & benefits should be structured to be competitive with other cities across the state	4.5
The City should be more proactive in infrastructure development to encourage development in new areas	4
Street project – replacing streets & sidewalks <u>not</u> up to city standards – Citizens should be assessed the cost of replacement	0.5
Street project – replacing streets & sidewalks <u>built to</u> city standards – Citizens should be assessed the cost of replacement	0.5
Overall, I am pleased with the operations of the city and the services the city provides to its citizens	4



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**READER'S GUIDE TO THE
2015-16 BUDGET
AND
PROGRAM OF SERVICES**

The Reader's Guide provides an overview of the City of Richwood's budget process. Also included in the next section are the State Laws and Administrative Policies related to budgeting.

The City of Richwood has continuously strived to design a budget designed to meet the highest standards of performance in municipal budgeting. The budget presentation is in a format, which includes line item detail features goals, accomplishments and performance measures for each department. A program description and summary of major budget changes is also included for each department to quickly inform the reader of the responsibilities of the department and budget considerations for the department. Various budget summaries, statistical information, and detailed revenue sources are provided to help the reader assess the budget and make comparisons to prior years. The Mayor's Message describes in detail the significant budget issues facing Council and Staff in the upcoming budget year and future years. The message also provides an overview of the proposed budget. The budget process and organization of the budget itself is described below.

START OF FISCAL YEAR						END OF CURRENT FISCAL YEAR					
OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
OPERATING BUDGET CYCLE											
City Council Issue Development											
New Fiscal Year Revenue Projections											
Proposed Budget Development											
Proposed Budget Analysis Compilation											
City Council Budget Study											
Public Hearing/Budget Adoption											
		Compilation of Adopted Budget									
BUDGET MAINTENANCE											
START OF NEW FISCAL YEAR						END OF CURRENT FISCAL YEAR					
OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP

BUDGET CALENDAR

Date Required	Action	Responsible Party
May	<ul style="list-style-type: none"> Establish budget policy Prepare budget calendar Distribute budget information packets to department heads Obtain city's estimated property values Prepare preliminary revenue estimates 	City Council City Manager City Manager City Secretary City Secretary City Secretary
May – June	<ul style="list-style-type: none"> Assist department heads with completion of budget forms Hold departmental budget meetings 	City Manager/City Secretary
June 15	<ul style="list-style-type: none"> Deadline for department heads to turn in budget submissions 	Department heads
July	<ul style="list-style-type: none"> Receive the proposed draft, make needed adjustments and submit the recommended budget to city council 	City Manager
July 15	<ul style="list-style-type: none"> First Budget workshop 	City Council
July 25	<ul style="list-style-type: none"> Deadline for chief appraiser to certify roll to city 	Appraisal District
July 25	<ul style="list-style-type: none"> Certification of anticipated collection rate by collector 	Brazoria County
July 29	<ul style="list-style-type: none"> Calculation of effective and rollback rate 	City Secretary
July 30	<ul style="list-style-type: none"> Publication of effective and rollback rates; schedules and fund balances, submission to city council 	City Secretary
August – September	<ul style="list-style-type: none"> Separate public hearings must be held for the budget and for any increase in tax rates The final budget is approved and filed with City Secretary Taxes are levied in accordance with the budget 	City Council City Manager City Council
August 4	<ul style="list-style-type: none"> Calculation of effective and rollback tax rates 	Brazoria County
August 10	<ul style="list-style-type: none"> 72 hours notice for meeting (Open Meetings Notice) 	City Council
August 11	<ul style="list-style-type: none"> Meeting to discuss tax rate; if increase is more than effective or rollback rate, tax record vote and schedule public hearing 	City Secretary
August 12	<ul style="list-style-type: none"> Publish “Notice of Public Hearing on Tax Increase” at least 7 days before public hearing 	City Secretary
August 15	<ul style="list-style-type: none"> 72 hour notice for public hearing (Open Meetings Notice) 	City Secretary
August 18	<ul style="list-style-type: none"> Public hearing; schedule and announce meeting to adopt tax rate 3-14 days from this date Publish “Notice of Vote on Tax Rate” 	City Council City Secretary City Secretary
August 16	<ul style="list-style-type: none"> 72 hour notice for second public hearing 	City Secretary
August 22	<ul style="list-style-type: none"> Second public hearing; schedule and announce meeting to adopt tax rate 	City Secretary
August 28	<ul style="list-style-type: none"> Publication of Notice of Property Tax Rates. Notice must appear on City website until tax rate is adopted. 	City Secretary
August 29		
September 5	<ul style="list-style-type: none"> 72 hour notice for meeting at which City Council will adopt tax rate 	City Secretary
September 8	<ul style="list-style-type: none"> Meeting to adopt budget and tax rate 	City Council
September 15	<ul style="list-style-type: none"> Last day to provide adopted tax rate information to Brazoria County 	City Secretary

BUDGET ADMINISTRATION PLAN

Step	Responsible Party	Additional Notes
Budget Officer begins budget preparations	The Finance Director is the Budget Officer for the City of Richwood	The Mayor is responsible for overseeing the complete budget process.
Prepare a budget calendar listing all the steps and target dates	City Manager and Finance Director	City Secretary will prepare the calendar at the direction of the City Administrator who will monitor to insure completion of each steps
Send budget memo to all department heads	City Manager	The budget memo will state the City's mission and guidelines
Prepare and distribute budget request forms and information packets to all department heads	Finance Director	Budget request forms need to be completed by department heads
Assist department heads with completion of their requests	City Manager and Finance Director	Assistance should be requested as needed
Department heads complete and return their budget requests to the City Secretary	Department heads	
Prepare revenue estimates	Finance Director	
Complete the proposed budget	City Manager and Finance Director	The department requests are reviewed and any necessary adjustments are made by the Mayor.
Send proposed budget to City Council	City Manager	Include <ol style="list-style-type: none"> 1. budget message 2. summary of revenue sources 3. summary of department expenditures with a brief description of each department's requests
City Council reviews the budget and makes any necessary changes	City Council	This is done in budget workshops which are open meetings. Department heads and the public are encouraged to participate. The City Council makes the final decision on what is included in the budget.
When the review is completed, a notice is published for the required hearing	City Secretary	The notice must be published no earlier than 30 days nor less than 10 days before the meeting
A public hearing is held on the budget	City Council and the public	
Budget is adopted by ordinance	City Council	This must be done prior to the end of the fiscal year.
The adopted budget is filed with the City Secretary	City Manager and Finance Director	State law requires the budget to be filed on or before the first day of the fiscal year
The budget is entered into the City's accounting system	Finance Director	The budget must correspond exactly with the accounting records
Copies of the budget are distributed to department heads, city staff, news media and other interested parties	City Secretary	The budget is an open record available to all interested parties who request it. It is the public's money and they need to know how their tax dollars are spent.

CLASSIFICATION OF EXPENDITURES

5100 Personnel Costs

This category includes all personnel expense for employees working full time or part time for the City. See line items for details.

01	Administrative Expense	Tuition, travel expense, registration, fees and other expenses for Mayor and Council members.
02	Contract Labor	Employees and others who work for the city on a contract basis only.
03	Salaries & Wages	Includes all Salaries and wages.
05	Retirement/FICA	City's share of matching employees retirement/FICA contributions.
06	Pension	Volunteer Fire Department Pension contributions
10	Worker's Compensation	Required by law.
15	Hospitalization	Hospitalization, accident, and life insurance on employees paid for by the City.
20	Unemployment Ins.-TEC	Required by law.
30	Training/Travel	Tuition, travel expense, registration, fees and other expenses associated with training.
75	Employee Incentive	Incentive pay for education as well as budgeted employee bonuses based on longevity.
90	Uniforms	Includes all articles of clothing such as: Uniforms, slickers, raincoats, boots, caps, badges, and leather goods worn as part of an uniform, protective clothing, etc. Includes uniform rentals.
97	Transfer In	Monies transferred from other funds, to offset costs.

5200 OPERATING SUPPLIES

Includes all supplies used in the city necessary for use in the day to day operation.

10	Office supplies	Includes all supplies for use in the operations of the office,
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such as: adding machine tape, paper, pens, pencils, postage, blank books, blueprints, clips, envelopes, erasers, file folders, ink, maps, printing and computer supplies.

15	Custodial Supplies	Includes cleaning supplies and paper.
20	Tools	Includes instruments, tools and utensils liable to loss, theft, and rapid deterioration such as: axes, brushes, chains, cleaning tools, crowbars, mops, punches, rope, shears, shovels, spray guns, spotlights, tire changers, tire repair kits, tubes, wrenches, staplers, minor office equipment, etc.
30	Gas, Oil, & Lubricants	Includes gasoline, grease, and lubrication oil.
40	Expendable Operating supplies	Includes all small supplies other than office supplies that are used up such as: alcohol, cleaning preparations, deodorants, disinfectants, first aid supplies, grease removers, ice, kerosene, laundry, soap, oxygen, sprays, wax, weed killers (in small quantities), welding supplies, pistol range supplies, etc.
45	Dump Charges	Costs associated with the disposal of large trash items, includes the disposal of recyclable items.
70	Chemicals	Weed killer and other chemicals bought in volume.
80	Laboratory supplies	Supplies as needed in photo processing and water analysis.
85	Fire Prevention Supplies	Includes supplies to teach fire prevention in schools and day cares.

5300 MAINTENANCE & REPAIR: All expenditures, either material or contract, covering repairs, maintenance, parts and materials.

10	Building and grounds	Includes repairs and maintenance for grounds and building. Would include such things as painting and re-roofing.
20	Office Furniture and Fixtures	Includes repairs and maintenance agreements on typewriters, computers, copying machines, adding machines, calculators, etc.
40	Vehicle maintenance & repair	All expenditures, either material or contract, covering repairs, maintenance, parts and materials for city owned vehicles.
50	Radar maintenance & repairs	Self explanatory

60	Radio maintenance & repairs	Self explanatory
65	Other equipment	Includes repairs for equipment not itemized above.
76	Sign repairs & replacement	Maintenance repairs to and replacement of street signs.
80	Streets maintenance & repairs	Maintenance repairs to streets
90	Water lines	Maintenance repairs to water lines and meters.
92	Sewer lines	Maintenance and repairs to sewer lines, manholes, lift stations, etc.

5400 UTILITIES & TELEPHONE

Includes all service from utility companies.

10	Electricity	Purchase of electricity for all City buildings, water well pumps, street lights, etc.
20	Telephone	Telephone Service.
30	Gas	Purchase of natural gas.

5500 SERVICES

Includes such items as expenses for attorney, auditors, appraisal district, and other outside services as per account line item detail.

10	Elections	Election judges, compensation, election supplies, cost of public notices, and other costs of holding city elections.
40	Dispatch services	Dispatch services, presently with the City of Clute.
42	Jail expense	Costs associated with maintaining prisoners.
56	Contractual services - Taxes	Fees for development of tax roll, statements, and receipts.
60	Engineering	Self explanatory.
65	Jury expense	Monies paid to jurors for contested court.
66	Contractual Ser. Ambulance	Monies paid for ambulance service
70	Attorney's Fees	Compensation of City Attorney.

75	Contract - 911	Costs associated with maintaining the 911 system.
80	Auditor's Fees	Fees for annual audit of City's books as required by state law.
5600 SUNDRY		Various items, which in most cases are self explanatory
30	Insurance - Motor Vehicles	Insurance on all City Vehicles including tractors and mowers
40	Insurance-Bldg/Liab/Bond	Insurance on all City buildings & employees including Notary bonds
60	Dues & Subscriptions	Costs, other than to professional organizations, not credited toward training.
85	Publishing & Advertising	Costs of notices, advertisements, etc.
95	Special Services - Misc	
5800 PARKS & REC. COSTS		Monies set aside for park and beautification projects that are subsidized by the City, but not including the pool.
50	Beautification	Monies set aside for beautification projects.
51	Parks and Recreation	Monies set aside for park projects.
5900 CAPITAL PROJECTS		The purchase of any item which would add to the capital assets of the City.
10	Office equipment	Includes capitalized office equipment over \$5,000
20	Motor vehicles	Self explanatory.
30	Equipment	Purchase of heavy equipment such as tractors, graders, backhoes, etc.
35	Equipment-Time Payments	Time payments on equipment such as copiers, phone systems, cameras, etc.
40	Special Equipment	Capitalized equipment over \$5,000.

50	Contingency Fund	Monies budgeted in the event of an emergency. Any unspent amount will be transferred to the Replacement Fund at the end of each fiscal year.
65	Street Projects	New Streets or major renovations to existing streets.
75	Drainage	Self explanatory.
89	R.B. Bonds Series 1980	Revenue bonds issued to finance water and sewer improvements
90	Sewage Treatment Plant	City's portion of operating costs of the Clute/Richwood Sewage Treatment Plant.
91	R.B. Bonds Series 1980	Revenue bonds issued to finance water and sewer improvements.
..0		
92	Certificates of Obligation	Certificates of Obligation issued to finance water and sewer improvements that are tied to both revenues and taxes.
95	Brazosport Water Authority	Water purchased from the Brazosport Water Authority per contract.
96	Capital Improvements (Deprec)	Amount budgeted for depreciation and capital improvements. Any surplus in this line item is transferred at year end to Capital Improvements.

THE BUDGET PROCESS

City Council Issue Development

Early in the budget process, the City Council is requested to provide staff with budget priorities to indicate programs and areas which may need more attention or funding as well as any capital improvements that may need to be discussed for later inclusion. Council response and feedback are then later incorporated and considered during budget review and analysis of budget requests.

Revenue Projection

The budget revenue projection for the new year begins mid-year of the current fiscal year. This projection is made by the City's Finance Officer with the help of local agencies, trend analysis, anticipated changes in the local and regional economy, and discussion with staff members. Although beginning earlier, the budget revenue projections occurs concurrently with departmental budget development and extends until the budget is adopted based upon the receipt of any new information.

Proposed Budget Development

During budget development at the department level, the City's Finance Officer works with department directors to analyze requests, provide advise and lend assistance.

Proposed Budget Analysis/Compilation

Once department budget requests are completed, the City Council meets with each department to review and discuss their funding requests. Several budget work sessions are held with the City Council to review and discuss the proposed budget.

The funding level is weighed against available resources, and a tax increase may or may not be recommended depending upon Council program priorities and issues previously expressed in the budget process.

After meeting with all departments, the total departmental requests are compared to the projected revenues to determine if there are sufficient revenues to fund all requests. In most cases, the funding requests are more than the projected revenues. At this time, the City Council then discusses what requests will be cut in order to present a balanced proposed budget.

City Council Budget Study

Several budget work sessions, open to the public, are held with the City Council to review and discuss the proposed budget. At the work sessions, Council reviews major issues and an overview of the budget and department heads present their budget to the City Council.

Public Hearing/Budget Adoption

A public hearing on the budget and tax rate is held in August prior to final budget consideration. At said

hearing, citizens or any other individual may make formal comment either for or against the proposed budget. The public also has the opportunity to attend City Council budget work sessions occurring in July and August.

Budget adoption occurs in late August or early September after City Council deliberations and the public hearing. City Council may take action to modify the proposed budget per its discretion. The City Council also adopts a tax rate to support adopted funding levels.

Compilation of Adopted Budget/Budget Maintenance

An adopted budget is compiled and published prior to or during the first month of the new fiscal year. The adopted budget is available for public inspection in late September. Ledger accounts are prepared for the new fiscal year October 1.

Budget maintenance is a year round activity. Spending control mechanisms include monthly review of expenditures by the Department Head and City Council. All purchase requisitions are compared to the line item budget prior to approval. Monthly budget analysis reports are prepared to present budget versus estimated expenditures variances. These reports are reviewed by staff and presented to City Council to identify and communicate any major expenditure variances. Department heads are instructed that expenditures for individual line items may exceed the budgeted amount as long as the department's total expenditures remain less than the budgeted amount. In some cases department expenditures may exceed the budgeted amount so long as the fund as a whole remains within the budgeted amount. This is the case because the budget is adopted at a fund level. A budget amendment is presented to Council for approval only if the budget for an individual fund is being changed.

Budget Amendment

In some cases department expenditures may exceed the budgeted amount so long as the department as a whole remains within the budgeted amount. A budget amendment is presented to Council for approval only if the budget for a department or fund is being changed.

Program Goals and Measures

Finally, program goals and measures are evaluated during the fiscal year to determine effectiveness of program activities and levels of appropriate funding.

ORGANIZATION OF THE BUDGET

BUDGET SUMMARIES

The Budget Summaries section is designed to provide a quick overview of the budget for all funds of the City. This section includes the following schedules:

Combined Funds Summary

Presents the total budgeted revenues and expenditures for each fund. Transfers between funds are subtracted from the total to indicate total dollars in and out of the City.

Available Funds Summary

Summarizes the beginning and the current cash balance for each of the funds. This schedule is useful in determining whether cash balances are maintained at sufficient levels.

Governmental Fund Types Projected Fund Balances

Summarizes the projected beginning and ending governmental funds. This schedule is useful in determining whether fund balances are maintained at sufficient levels.

Enterprise Fund Types Projected Cash Balances

Summarizes the projected beginning and ending cash balance for the enterprise funds. This schedule is useful in determining whether cash balances are maintained at sufficient levels.

All Funds Revenues by Category

Presents a breakdown of all City revenues by Category and presents it geographically.

All Funds Expenditures by Category

Presents a breakdown of all City expenditures by Category and presents it geographically.

Expenditures by Department

Presents the total budgeted revenues and expenditures by department.

Personnel Summary

Summarizes authorized positions for the current budget and previous three years. Explains what positions have been added, deleted or reclassified.

GENERAL AND WATER/SEWER FUND DEPARTMENTAL DETAIL:

The detail for each department includes the following information:

Program Description

This section outlines the duties and responsibilities performed by the department. It is provided to enable the reader to understand the function of each department.

Goals and Objectives

Each department has provided a summary of specific goals they wish to achieve during the coming fiscal year. They should have a specific time frame or measurable achievement.

Accomplishments

Each department has provided a listing of major accomplishments for the previous fiscal year.

Performance Measures

Performance measure indicators to reflect major activities of the department. The measures also indicate the amount of work that has been done in the past and projected workload levels for the current and next years.

Expenditures by Category

Presents a breakdown of all operating fund expenditures by Category.

Personnel Summary

The Personnel Summary section shows the positions or personnel resources budgeted to carry out services.

Major Budget Changes

The summary of major budget changes identifies significant changes in funding levels and organizational alignment. The section also details major new programs and items proposed for funding.

BUDGET BASIS

Formal budgetary accounting is employed for all funds of the City. Annual operating budgets are adopted at the fund level each fiscal year through the passage of the budget ordinance. All unencumbered budget appropriations lapse at the end of each fiscal year.

The budget for governmental funds types is prepared on a modified accrual basis. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Revenue is considered measurable if sufficient information is available to provide a reasonable (not necessarily precise) estimate of the revenue to be collected. Available is defined as “collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period”. (Usually within 60 days of year end.) Those revenues susceptible to accrual are franchise taxes, interest revenues and charges for services. Sales tax collected and held by the State at year end on behalf of the City is also recognized as revenue. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

Budgets for the proprietary funds are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

FINANCIAL STRUCTURE

The City’s financial records and the Budget consists of many separate funds which are used to report on its financial position and the results of its operations. A fund is generally defined as a fiscal and accounting entity which has its own self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and achieve fiscal accountability by segregating transactions related to certain government functions and activities.

A separate fund may be established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The two types of Funds are utilized in this budget are Governmental and Proprietary. For the City’s day to day operations, and for budgetary purposes, some of the funds are broken down into sub-funds.

General Fund

The General Fund is the City’s primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. The principal sources of revenues of the General Fund are property taxes, sales taxes, franchise taxes, permit fees and fines. Expenditures are tax supported activities such as administration, city maintenance, public safety, judicial, and parks and recreation. For financial statement purposes, it is represented as a major fund and is comprised of the General Fund, Equipment Replacement Fund, Capital Projects and General Obligation Debt Service. Each of these funds are budgeted independently. According to State Law, the General Fund must balance – revenues must equal expenditures.

General Fund Sub Funds:

General Operating Fund - This fund includes the maintenance and operations portion of the tax revenues and

tax supported activities such as Police, Fire, Drainage, Streets, Parks and Recreation.

Equipment Replacement - The Administration Department has a contingency account line item included in its budget. Any surplus in this line at the end of the fiscal year is then transferred to this fund. Accumulated resources in this fund are then used to purchase new and replacement equipment.

General Contingency Fund - This fund contains money to be used in case of emergency or special expenses.

General Debt Service Fund - This fund is used to account for the accumulation of resources for the annual payment of debt principal and interest and to provide a reserve for such payment.

Capital Projects Funds - This fund is used to account for the acquisition, construction or repair of major capital facilities and equipment other than those financed by proprietary funds.

Enterprise Fund

Enterprise or proprietary funds are considered to be similar to a business enterprise. Expenditures are supported primarily by user fees and charges. The specific sub funds which make up the proprietary fund types are:

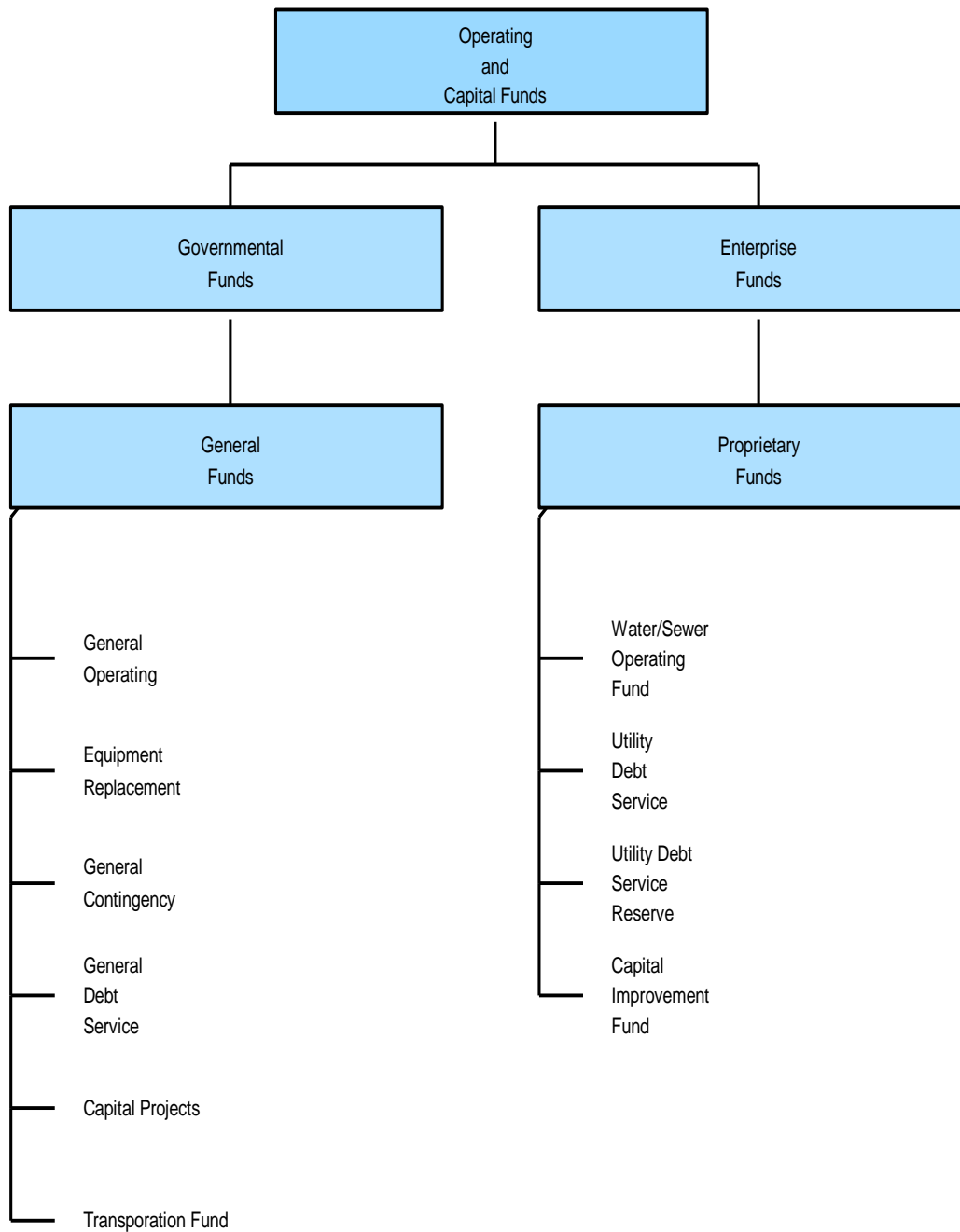
Water/Sewer Operating Fund - This fund includes the revenues from the Water Sewer charges. It includes the expenditures related to providing these services.

Utility Debt Service – This fund is used to provide for the payment of utility related debt service.

Utility Debt Service Reserve Fund - This fund is used to provide a reserve for the payment of debt principal and interest. There are no budgeted expenditures amounts in this fund.

Capital Improvement Fund - Positive variances in the Water/Sewer Fund are transferred to this fund. Accumulated resources are used for capital projects throughout the City.

FINANCIAL STRUCTURE





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CITY OF RICHWOOD

STATE LAW DIRECTIVES

SUBJECT	FISCAL YEAR	LGC 101.042
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The fiscal year of the City of Richwood shall begin on the first day of October and shall end on the last day of September of each year. Such fiscal year shall also constitute the budget and accounting year.

SUBJECT	BUDGET PRESENTATION	LGC 102.002
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The Mayor, between sixty and ninety days prior to the beginning of each fiscal year, shall submit to the Council a proposed budget, which budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

- a) A budget message, explanatory of the budget, which message shall contain an outline of the proposed financial policies of the City for the fiscal year, shall set forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and shall explain any major changes in financial policy.
- b) A consolidated statement of anticipated receipts and proposed expenditures for all funds.
- c) An analysis of property valuations.
- d) An analysis of tax rate.
- e) Tax levies and tax collections by years for at least five years.
- f) General fund resources in detail.
- g) Special fund resources in detail.
- h) Summary of proposed expenditures by function, department, and activity.
- i) Detailed summary of expenditures shown separately for each activity to support the summaries. Such estimates of expenditures are to include an itemization of positions showing the number of persons having each title.
- j) A revenue and expense statement for all types of bonds.

CITY OF RICHWOOD

STATE LAW DIRECTIVES

- a) A description of all bond issues outstanding showing rate of interest, date of issue, maturity date, amount authorized, amount issued and amount outstanding.
- k) A schedule of requirements for the principal and interest of each issue of bonds.
- l) The appropriation ordinance.

SUBJECT	ANTICIPATED REVENUES	LGC 102.003
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In preparing the budget, the Mayor shall place in parallel columns opposite the several items of revenue, the actual amount of each for the last completed fiscal year, the budgeted amount for the current fiscal year, and the proposed amount for the ensuing fiscal year.

SUBJECT	PROPOSED EXPENDITURES	LGC 102.003
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The Mayor in preparation of the budget shall place in parallel columns opposite the various items of expenditures, the actual amount of each for the last completed fiscal year, the budgeted amount for the current fiscal year, and the proposed amount for the ensuing fiscal year.

SUBJECT	PUBLIC RECORD	LGC 102.005
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The budget and all supporting schedules shall be filed with the person performing the duties of City Secretary, submitted to the City Council and shall be a public record. The Mayor shall provide copies for distribution to all interested persons.

SUBJECT	PUBLIC HEARING	LGC 102.006
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At the meeting of the City Council at which the budget is submitted, the City Council shall fix the time and place of public hearing on the budget and shall cause to be published in the official newspaper of the City of Richwood, a notice of the hearing setting forth the time and place thereof at least ten (10) days before the date of such hearing.

CITY OF RICHWOOD

STATE LAW DIRECTIVES

At the time and place set forth in the notice, all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein contained.

After the conclusion of such public hearing, the City Council may insert new items or may increase or decrease the items of the budget, except items in proposed expenditures fixed by law, but where it shall increase in the total proposed expenditures, it shall also provide for an increase in the total anticipated revenue to at least equal such proposed expenditures.

SUBJECT	BUDGET ADOPTION	LGC 102.007
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Vote required for adoption

The budget shall be adopted by the favorable vote of majority of the members of the whole City Council. The budget shall be finally adopted prior to the beginning of the fiscal year, and should the City Council fail to so adopt a budget, then the existing budget together with its tax-levying ordinance and its appropriation ordinance, shall remain in effect for the ensuing fiscal year, but only until such time as the Council passes a budget and tax-levying ordinance for the new fiscal year.

Effective date of budget; certification; copies made available

Upon final adoption, the budget shall be in effect for the fiscal year. A copy of the budget, as finally adopted, shall be filed with the person performing the duties of the City Secretary. The final budget shall be printed, mimeographed or otherwise reproduced and copies shall be made available for the use of all offices, departments and agencies and for the use of interested persons and civic organizations.

Budget establishes appropriations

From the effective date of the budget, the several amounts stated therein as the proposed expenditures shall be and become appropriated to the several objects and purposes therein named.

Budget establishes amount to be raised by property tax

From the effective date of the budget, the amount stated therein as the amount to be raised by property tax shall constitute a determination of the amount of the levy for the purposes of the City in the corresponding tax year, provided, however, that in no event shall such a levy exceed the legal limit provided by the laws and constitution of the State of Texas.

CITY OF RICHWOOD

STATE LAW DIRECTIVES

SUBJECT	EMERGENCY APPROPRIATION	LGC 102.009
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The City budget may be amended and appropriations altered in accordance therewith in cases of public necessity, the actual fact of which shall have been declared by the City Council.

SUBJECT	TAXATION	TO 182-024
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The City Council shall have the power under the provisions of the state law to levy, assess and collect an annual tax upon real and personal property within the City to maximum provided by the Constitution and general laws of the State of Texas.

CITY OF RICHWOOD

ADMINISTRATIVE POLICY

SUBJECT	BALANCED BUDGET REQUIREMENT	SEC. IV
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The total estimated expenditures of the general fund and debt service fund shall not exceed the total estimated resources of each fund (protective income plus cash on hand). The classification of revenue and expenditure accounts shall conform as nearly as local conditions will permit to the uniform classification as promulgated by the National Committee on Governmental Accounting or some other nationally accepted classification.

SUBJECT	REVENUES	SEC. VI
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Development of Revenue Projection

During the budget process the City will estimate its future revenues using an objective analytical process. Past trends will be examined as well as expected future events.

User Charges and Fees

User charges and fees will be examined and compared to the cost of providing the service.

For Enterprise Funds, the City shall establish user fees and charges which fully support the total direct and indirect cost of the fund. Indirect cost include the cost of administration borne by other operating funds.

SUBJECT	EXPENDITURES	SEC. VII
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Budgeted expenditures in the General Operating Fund and Utility Operating Fund will not exceed projected revenues.

Core services will be budgeted in order that outstanding quality services will be provided. Generally, only when known increases in revenues are going to take place or are planned (such as increased fees) will new or expanded services be provided.

SUBJECT	FUND BALANCE	SEC. IX
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General Fund

The City will seek to maintain an undesignated fund balance equal to 8.33%, or 30 days, of budgeted expenditures for the General Operating Fund.

Water/Sewer Fund

The City will seek to maintain an undesignated fund balance equal to 12%, or 45 days, of budgeted expenditures for the Utility Operating Fund.

CITY OF RICHWOOD

ADMINISTRATIVE POLICY

SUBJECT	CONTINGENT APPROPRIATION	SEC. V
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Provisions shall be made in the annual budget and in the appropriation for a contingent appropriation in an amount not more than three percent of the budget, to be used in case of unforeseen items of expenditure. Such contingent appropriation shall be under the control of the Mayor and distributed by her, after approval of the City Council. Expenditures from this appropriation shall be made only in case of established emergencies and detailed account of such expenditures shall be recorded and reported.

SUBJECT	FUNDING OF CAPITAL PROJECT EQUIPMENT PURCHASES	SEC. V
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Transfer to Equipment Replacement Fund

At the end of each fiscal year, after taking into consideration the desired fund balance, positive budget variances in the General Fund are transferred to the Equipment Replacement Fund.

Transfer to Capital Improvements Fund

At the end of each fiscal year, after taking into consideration the desired fund balance, positive variances in the Water/Sewer Fund are transferred to the Utility Projects Fund.

SUBJECT	INVESTMENTS	SEC. VIII
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The City maintains a written Investment Policy in accordance with Section 5 of the Public Funds Investment Act of 1987. The Investment Policy shall be reviewed annually and amendments must be authorized by the City Council.

SUBJECT	DEBT MANAGEMENT	SEC. X
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Recognizing that debt is usually a more expensive financing method, alternative financing sources will be explored before a debt is issued. When debt is issued, it will be used to acquire major assets with expected lives which equal or exceed the average life of the debt issue. The exceptions to this requirement are the

CITY OF RICHWOOD

ADMINISTRATIVE POLICY

traditional costs of marketing and issuing the debt, capitalized labor for the design and construction of capital projects, and small component parts which are attached to major equipment purchases.

The City will explore all financing alternatives in addition to long-term debt including leasing, grants and other aid, developer contributions, impact fees, and use of reserves or current monies. When appropriate, self-supporting revenues are used to pay debt service in lieu of tax revenues.



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DEBT SERVICE REQUIREMENTS TO MATURITY
General Obligation Bonds
as of September, 2015

Year Ended September 30,	General Obligation Tax Certificates of Obligation - Series 1999 Principal	Interest	Total Requirements
2016	\$ 55,000.00	\$ 17,215.00	\$ 72,215.00
2017	\$ 55,000.00	\$ 15,493.50	\$ 70,493.50
2018	\$ 60,000.00	\$ 13,772.00	\$ 73,772.00
2019	\$ 55,000.00	\$ 11,894.00	\$ 66,894.00
2020	\$ 60,000.00	\$ 10,172.50	\$ 70,172.50
2021	\$ 65,000.00	\$ 8,294.50	\$ 73,294.50
2022	\$ 65,000.00	\$ 6,260.00	\$ 71,260.00
2023	\$ 65,000.00	\$ 4,225.50	\$ 69,225.50
2024	<u>\$ 70,000.00</u>	<u>\$ 2,191.00</u>	<u>\$ 72,191.00</u>
	\$ 550,000.00	\$ 89,518.00	\$ 639,518.00

Year Ended September 30,	FNBLJ Loan - 2013 Principal	Interest	Total Requirements
2016	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2017	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2018	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2019	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2020	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2021	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2022	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2023	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2024	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2025	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2026	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2027	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2028	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2029	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2030	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2031	\$ 15,189.84	\$ 6,198.80	\$ 21,388.64
2032	<u>\$ 15,189.84</u>	<u>\$ 6,198.80</u>	<u>\$ 21,388.64</u>
2033			
	\$ 258,227.28	\$ 105,379.60	\$ 363,606.88

DEBT SERVICE REQUIREMENTS TO MATURITY
General Obligation Bonds
as of September, 2015

Year Ended September 30,	Certificates of Obligation - Series 2012 Principal	Interest	Total Requirements
2016	\$ 45,000.00	\$ 30,850.00	\$ 75,850.00
2017	\$ 45,000.00	\$ 29,950.00	\$ 74,950.00
2018	\$ 50,000.00	\$ 29,050.00	\$ 79,050.00
2019	\$ 50,000.00	\$ 28,050.00	\$ 78,050.00
2020	\$ 50,000.00	\$ 27,050.00	\$ 77,050.00
2021	\$ 50,000.00	\$ 25,550.00	\$ 75,550.00
2022	\$ 55,000.00	\$ 24,050.00	\$ 79,050.00
2023	\$ 55,000.00	\$ 22,400.00	\$ 77,400.00
2024	\$ 55,000.00	\$ 20,475.00	\$ 75,475.00
2025	\$ 60,000.00	\$ 18,550.00	\$ 78,550.00
2026	\$ 60,000.00	\$ 16,450.00	\$ 76,450.00
2027	\$ 65,000.00	\$ 14,350.00	\$ 79,350.00
2028	\$ 65,000.00	\$ 12,075.00	\$ 77,075.00
2029	\$ 65,000.00	\$ 9,800.00	\$ 74,800.00
2030	\$ 70,000.00	\$ 7,525.00	\$ 77,525.00
2031	\$ 70,000.00	\$ 5,075.00	\$ 75,075.00
2032	<u>\$ 70,000.00</u>	<u>\$ 2,625.00</u>	<u>\$ 77,625.00</u>
	\$ 985,000.00	\$323,875.00	\$1,308,875.00

DEBT SERVICE REQUIREMENTS TO MATURITY
General Obligation Bonds
as of September, 2015

Year Ended September 30,	Principal	Interest	Total Requirements
2016	115,189.84	54,263.80	169,453.64
2017	115,189.84	51,642.30	166,832.14
2018	125,189.84	49,020.80	174,210.64
2019	120,189.84	46,142.80	166,332.64
2020	125,189.84	43,421.30	168,611.14
2021	130,189.84	40,043.30	170,233.14
2022	135,189.84	36,508.80	171,698.64
2023	135,189.84	32,824.30	168,014.14
2024	140,189.84	28,864.80	169,054.64
2025	75,189.84	24,748.80	99,938.64
2026	75,189.84	22,648.80	97,838.64
2027	80,189.84	20,548.80	100,738.64
2028	80,189.84	18,273.80	98,463.64
2029	80,189.84	15,998.80	96,188.64
2030	85,189.84	13,723.80	98,913.64
2031	85,189.84	11,273.80	96,463.64
2032	85,189.84	8,823.80	94,013.64
	\$1,788,227.28	\$518,772.60	\$2,306,999.88

DEBT SERVICE REQUIREMENTS TO MATURITY
Water and Sewer System Revenue Bonds
as of September, 2014

Year Ended September 30,	Certificates of Obligation - Series 2004 Principal	Interest	Total Requirements
2016	25,000.00	16,169.00	41,169.00
2017	25,000.00	14,912.00	39,912.00
2018	25,000.00	13,625.00	38,625.00
2019	30,000.00	12,188.00	42,188.00
2020	30,000.00	10,597.00	40,597.00
2021	30,000.00	8,978.00	38,978.00
2022	35,000.00	7,189.00	42,189.00
2023	35,000.00	5,237.00	40,237.00
2024	35,000.00	3,269.00	38,269.00
2025	40,000.00	1,140.00	41,140.00
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	\$310,000.00	\$93,304.00	\$403,304.00

Year Ended September 30,	Certificates of Obligation - Series 2011 Principal	Interest	Total Requirements
2016	30,000.00	25,673.75	55,673.75
2017	30,000.00	24,507.50	54,507.50
2018	30,000.00	23,340.00	53,340.00
2019	35,000.00	2,212.50	37,212.50
2020	35,000.00	19,812.00	54,812.00
2021	35,000.00	19,449.50	54,449.50
2022	35,000.00	18,088.25	53,088.25
2023	40,000.00	16,727.50	56,727.50
2024	40,000.00	15,170.75	55,170.75
2025	45,000.00	13,615.00	58,615.00
2026	45,000.00	11,864.50	56,864.50
2027	45,000.00	10,114.00	55,114.00
2028	50,000.00	8,363.50	58,363.50
2029	50,000.00	6,418.50	56,418.50
2030	55,000.00	4,473.50	59,473.50
2031	60,000.00	2,334.00	62,334.00
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	\$ 660,000.00	\$ 222,164.75	\$ 882,164.75

DEBT SERVICE REQUIREMENTS TO MATURITY
Water and Sewer System Revenue Bonds
as of September 30, 2014

Year Ended	Total Principal	Interest	Total Requirements
2016	55,000.00	41,842.75	96,842.75
2017	55,000.00	39,419.50	94,419.50
2018	55,000.00	36,965.00	91,965.00
2019	65,000.00	14,400.50	79,400.50
2020	65,000.00	30,409.00	95,409.00
2021	65,000.00	28,427.50	93,427.50
2022	70,000.00	25,277.25	95,277.25
2023	75,000.00	21,964.50	96,964.50
2024	75,000.00	18,439.75	93,439.75
2025	85,000.00	14,755.00	99,755.00
2026	45,000.00	11,864.50	56,864.50
2027	45,000.00	10,114.00	55,114.00
2028	50,000.00	8,363.50	58,363.50
2029	50,000.00	6,418.50	56,418.50
2030	55,000.00	4,473.50	59,473.50
2031	60,000.00	2,334.00	62,334.00
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	\$ 970,000.00	\$ 315,468.75	\$ 1,285,468.75

**ESTIMATED AD VALOREM TAX COLLECTION & PROPOSED DISTRIBUTION FOR
FISCAL YEAR 2015-2016**

Assessed Valuation for 2014	\$ 188,059,918
Gain (Loss) in Value	<u>19,002,283</u>
Assessed Valuation for 2015	207,062,201
Tax Rate Per \$100 Valuation	0.73568
Revenue from 2015 Tax Roll	1,523,315
Estimated Collections	<u>100%</u>
Total Funds Available	<u>\$ 1,523,315</u>

SCHEDULE OF TAX LEVY AND COLLECTION RATE

YEAR	LEVY	BALANCE DUE AS OF 7/31/15	PERCENT COLLECTED
2014	1,345,054.78	23,911.76	98.27%
2013	1,243,473.20	8,326.46	99.93%
2012	1,158,718.03	4,242.42	99.63%
2011	1,134,497.42	3,001.29	99.65%
2010	1,119,707.25	3,885.41	99.64%
2009	904,900.38	3,578.32	99.79%
2008	829,523.51	1,712.29	99.66%
2007	761,103.64	2,200.27	99.71%
2006	663,944.44	1,494.12	99.77%
2005	607,763.29	143.08	99.98%
2004	534,411.53	133.61	99.99%
2003	516,433.29	39.54	99.99%

PROPOSED DISTRIBUTION OF COLLECTED TAXES

FUND	ADOPTED TAX RATE 2014-15	PROPOSED TAX RATE 2015-16	PROPOSED AMOUNT 2015-16	%
General Fund	0.646369	0.653360	1,352,860	100
General Debt Service Fund	0.089311	0.02320	170,455	100
TOTAL	0.735680	0.735680	1,523,315	100



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City of Richwood
Demographics

Education

Persons 3 Yrs. +				Persons 15 to 19 Yrs		Persons 25 Yrs. +		
	Pre-Primary School	Elementary/ High School	College	Total	% Enrolled in School	Total	% High School Graduates	% Bachelor's Degree+
Texas	840,878	4,481,719	1,663,531	6,986,128	76.1%	15,443,904	80.4%	26.1%
Brazoria County	11,314	56,542	16,897	84,753	80.1%	152,244	84.9%	26.5%
Richwood	149	440	210	799	87%	2,018	86.9%	1%

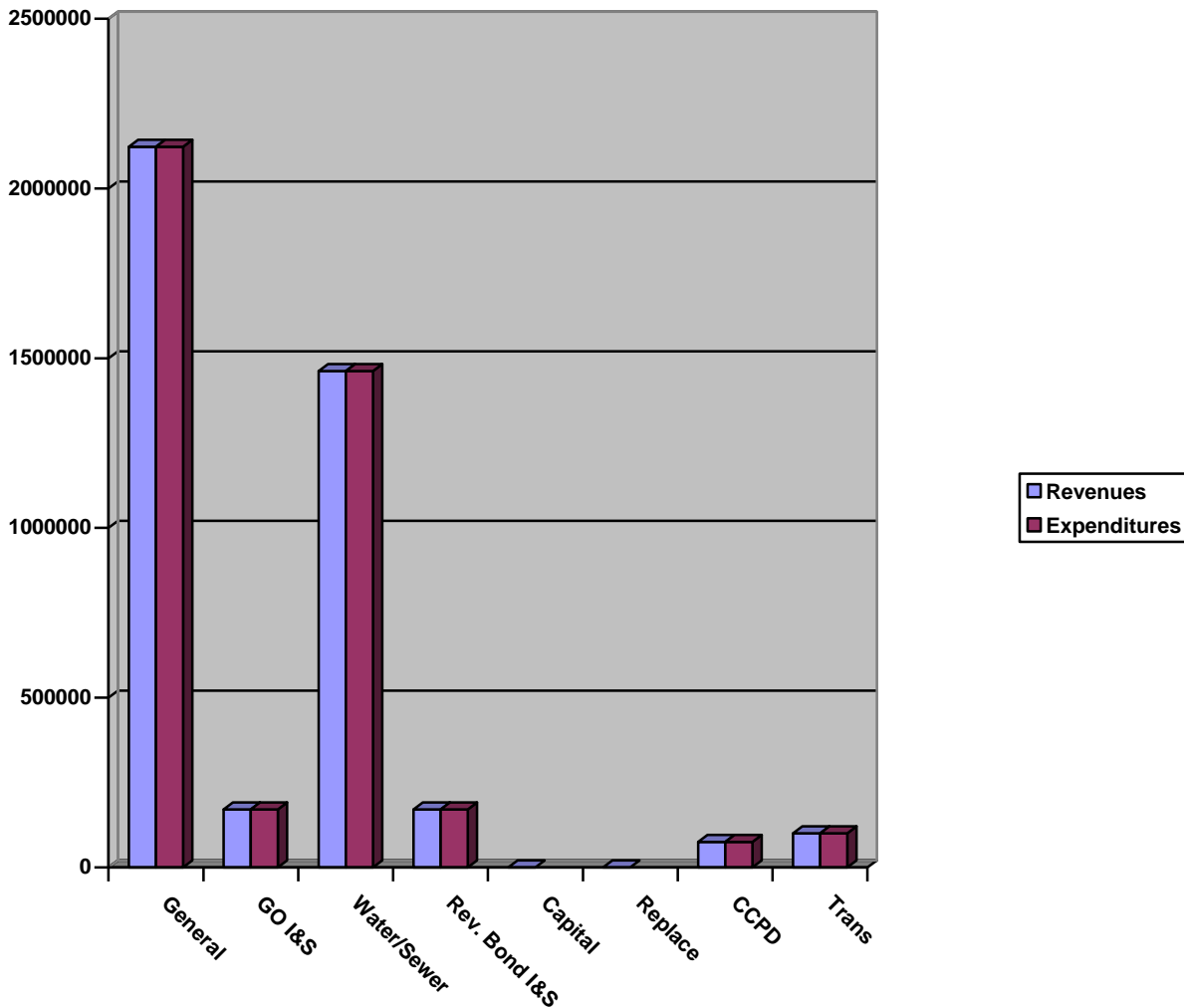
Employment 16 years and older

LABOR FORCE							
	Total	% Male	% Female		% in Labor Force		% Unemployed 2010
				Total	% Male	% Female	
Texas	18,747,892	49%	51%	64%	42%	58%	7.3%
Brazoria County	231,739	51%	49%	65.3%	38.5%	61.5%	5.7%
Richwood	2,638	49%	51%	78.9%	54%	46%	5.9%

COMBINED FUNDS

REVENUES AND EXPENDITURES

The Capital Projects Funds have historically been supported by year end transfers from the related operating fund. These transfers are not budgeted but result from any budget savings which occur in the operating fund.



COMBINED FUNDS SUMMARY

	FUND BALANCE 10/1/2014	REVENUES	EXPENDITURES	FUND BALANCE 9/30/2015
GENERAL FUND	821,951.00			821,951.00
REVENUES		2,123,164.00		
OPERATING EXPENSE			2,123,164.00	
TOTALS	821,951.00	2,123,164.00	2,123,164.00	821,951.00
DEBT SERVICE	95,065.00			95,065.00
REVENUES		170,455.00		
OPERATING EXPENSE			170,455.00	
TOTALS	95,065.00	170,455.00	170,455.00	95,065.00
WATER/SEWER FUND	5,412,588.00			5,412,588.00
REVENUES		1,462,330.00		
OPERATING EXPENSE			1,462,330.00	
TOTALS	5,412,588.00	1,462,330.00	1,462,330.00	5,412,588.00
DEBT SERVICE	804.14			804.14
REVENUES		170,634.00		
OPERATING EXPENSE			170,634.00	
TOTALS	804.14	170,634.00	170,634.00	804.14
CAPITAL IMPROVEMENTS	61,710.72			61,810.72
REVENUES		100.00		
OPERATING EXPENSE				
TOTALS	61,710.72	100.00	-	61,810.72
REPLACEMENT FUND	43,183.94			43,233.94
REVENUES		50.00		
OPERATING EXPENSE			-	
TOTALS	43,183.94	50.00	-	43,233.94
CCPD	58,316.12			58,316.12
REVENUES		75,000.00		
OPERATING EXPENSE			75,000.00	
TOTALS	58,316.12	75,000.00	75,000.00	58,316.12
TRANSPORTATION	27,091.00			27,091.00
REVENUES		100,000.00		
OPERATING EXPENSE			100,000.00	
TOTALS	27,091.00	100,000.00	100,000.00	27,091.00
OTHER FUNDS	13,330.03			13,395.03
REVENUES		65.00		
OPERATING EXPENSE				

TOTALS	13,330.03	65.00	-	13,395.03
TOTALS	6,533,235.81			6,533,450.81
REVENUES		4,101,798.00		
OPERATING EXPENSE			3,760,494.00	
CAPITAL				
IMPROVEMENTS			-	
DEBT SERVICE			341,089.00	
GRAND TOTALS	6,533,235.81	4,101,798.00	4,101,583.00	6,533,450.81

AVAILABLE FUNDS

	CASH BALANCE A/O 10/01/14	ESTIMATED CASH A/O 9/30/15	INVESTED A/O 8/31/15
OPERATING ACCOUNTS			
GENERAL FUND	347,861.11	395,616.58	378,525.58
WATER/SEWER FUND	83,874.76	128,040.72	84,040.40
MISCELLANEOUS RESTRICTED FUNDS			
GENERAL OBLIGATION	91,392.85	94,645.22	94,645.52
REVENUE BOND	804.14	804.92	804.92
WATER/METER DEPOSIT	92,922.38	93,013.21	93,013.21
RESERVE FUND	-	1,013.40	-
CAPITAL IMPROVEMENT SEIZURE AND FORFEITURE	61,710.72 1,011.37	61,784.38 -	61,784.38
BEAUTIFICATION CAPITAL PROJECTS INSURANCE CONTINGENCY	31,045.50 15,273.47	25,467.63 15,330.03	15,330.03
TRANSPORTATION CRIME CONTROL AND PREV	25,094.19 58,316.12	31,437.07 58,354.84	27,117.21 58,354.84
REPLACEMENT FUND	43,183.94	35,203.15	43,244.09
TOTALS	852,490.55	940,711.15	856,860.18

GENERAL FUND

FUND BALANCE ANALYSIS

	GENERAL OPERATING FUND	GENERAL DEBT SERVICE	INSURANCE CONTINGENCY FUND	EQUIPMENT REPLACEMENT FUND	TRANS. FUND	CRIME CONTROL PREVENTION
FUND						
FUND BALANCE 9-30-14	463,669.76	94,397.50	15,292.21	43,195.12	27,127.62	63,985.06
Projected Revenues	2,049,704.75	167,796.51	75.09	33,624.52	94,644.51	113,119.75
Transfers In						
From General Operating						
From Utility Operating						
From Insurance Contingency						
All Other Revenues						
Total Revenues	2,513,374.51	262,194.01	15,367.30	76,819.64	121,772.13	177,104.81
Projected Expenditures	1,882,980.45	166,334.33	2,000.00	8,040.96	99,139.65	74,452.79
Transfers Out						
To Capital Projects						
To Insurance Contingency						
To Equipment Replacement						
All Other Expenditures						
Total Expenditures	1,882,980.45	166,334.33	2,000.00	8,040.96	99,139.65	74,452.79
FUND BALANCE 9-30-15	630,394.06	95,859.68	13,367.30	68,778.68	22,632.48	102,652.02
Low 25% of Budget	412,752.50					
High 33% of Budget	544,833.30					

UTILITY FUNDS

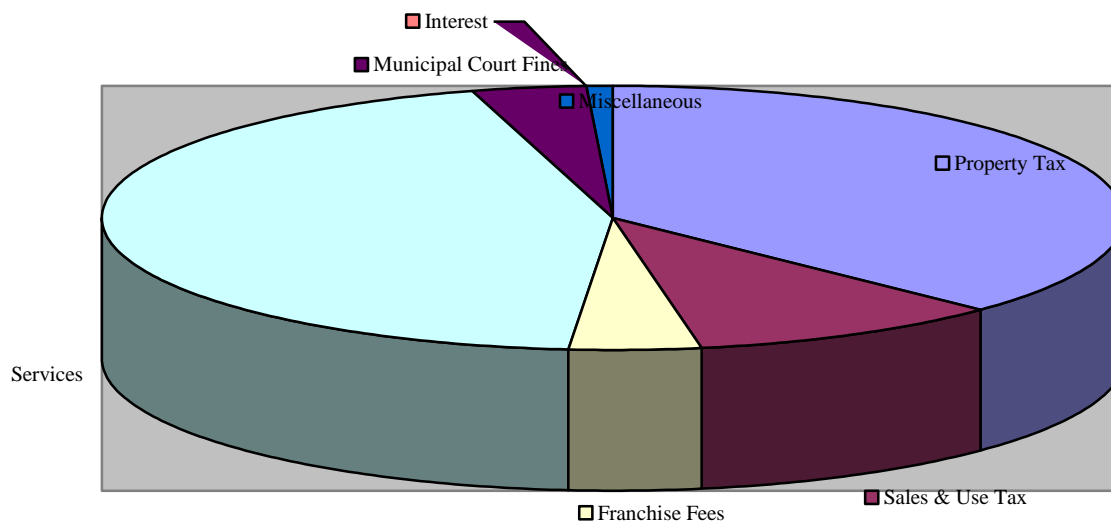
FUND BALANCE ANALYSIS

FUND	UTILITY OPERATING FUND	UTILITY DEBT SERVICE	UTILITY DEBT SERVICE RESERVE	UTILITY PROJECTS FUND	CAPITAL IMPROVE FUND
FUND BALANCE 9-30-14 *	80,661.74	804.92			69,241.42
Projected Revenues	936,600.35	169,950.58			11,936.85
Transfers In					
From General Operating					
From Utility Operating					
From Insurance Contingency					
All Other Revenues					
Total Revenues	1,017,262.09	170,755.50	-	-	81,178.27
Projected Expenditures	936,478.43	162,180.15			-
Transfers Out					
To Capital Projects					
To Insurance Contingency					
To Equipment Replacement					
All Other Expenditures					
Total Expenditures	936,478.43	162,180.15	-	-	-
FUND BALANCE 9-30-13	80,783.66	8,575.35	-	-	81,178.27
Low 25% of Budget	243,656.75				
High 33% of Budget	321,626.91				

* operating fund balance

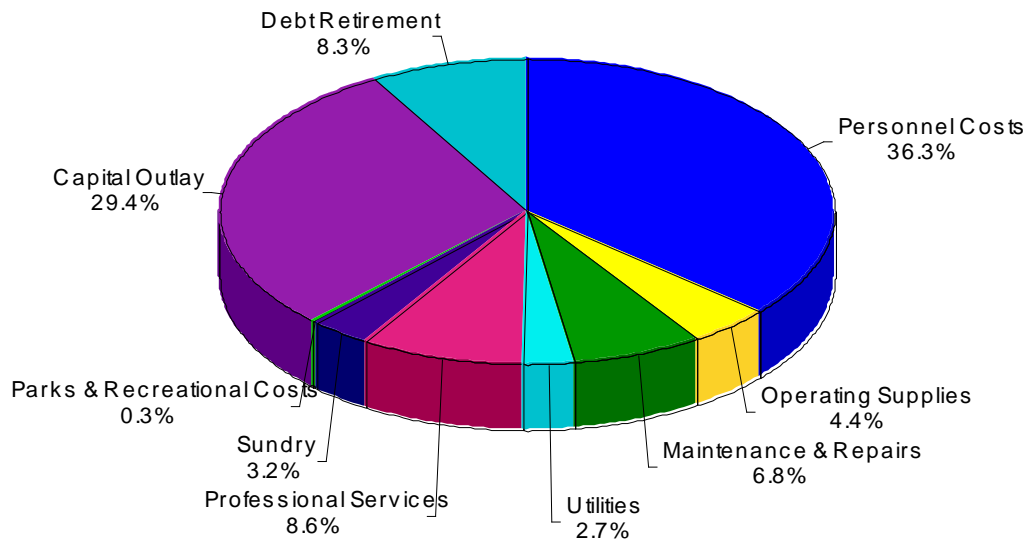
2015-16 BUDGET
ALL FUNDS BY FUND TYPE
REVENUES BY CATEGORY

REVENUES	GENERAL GOVERNMENT	UTILITY SYSTEM	OTHER	TOTAL
Property Tax	1,352,664.00		170,455.00	1,523,119.00
City Sales & Use Tax	335,000.00		75,000.00	410,000.00
Franchise Fees	180,000.00			180,000.00
Charges for Services	75,500.00	1,456,230.00	270,634.00	1,802,364.00
Municipal Court Fines	155,000.00			155,000.00
Interest	1,000.00	100.00	165.00	1,265.00
Miscellaneous	24,000.00	6,000.00		30,000.00
Total Revenues	2,123,164.00	1,462,330.00	516,254.00	4,101,748.00



2015-16 BUDGET
ALL FUNDS BY FUND TYPE
EXPENDITURES BY CATEGORY

REVENUES	GENERAL GOVERNMENT	UTILITY SYSTEM	OTHER	TOTAL
Personnel Costs	1,237,934.00	252,932.00		1,490,866.00
Operating Supplies	140,108.00	39,500.00		179,608.00
Maintenance & Repairs	117,860.00	85,000.00	75,000.00	277,860.00
Utilities	67,100.00	45,100.00		112,200.00
Professional Services	214,900.00	137,135.00		352,035.00
Sundry	101,500.00	30,000.00		131,500.00
Parks & Recreation	11,000.00			11,000.00
Capital Outlay	232,762.00	872,663.00	100,000.00	1,205,425.00
Debt Retirement			341,089.00	341,089.00
Total Expenditures	2,123,164.00	1,462,330.00	516,089.00	4,101,583.00



EXPENDITURES BY DEPARTMENT

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
ADMINISTRATION	441,067.50	507,780.00	592,972.00
CITY MAINTENANCE	290,213.39	243,977.00	294,970.00
STREETS & DRAINAGE	85,479.60	101,000.00	101,000.00
POLICE DEPARTMENT	723,612.94	718,978.00	762,389.00
JUDICIAL	111,337.85	119,684.00	121,983.00
FIRE DEPARTMENT	124,531.72	130,250.00	135,250.00
PARKS & RECREATION	90,108.74	64,200.00	42,500.00
CODE ENFORCEMENT	-	60,488.00	72,100.00
TOTAL	1,866,351.74	1,885,869.00	2,123,164.00
DEBT SERVICE	165,563.40	167,920.00	170,455.00
TOTAL	165,563.40	167,920.00	170,455.00
WATER/SEWER	1,162,581.41	1,280,071.00	1,462,330.00
TOTAL	1,162,581.41	1,280,071.00	1,462,330.00
DEBT SERVICE	96,960.50	173,020.00	170,634.00
TOTAL	96,960.50	173,020.00	170,634.00
CRIME CONTROL & PREVENTION	32,064.46	65,000.00	75,000.00
TOTAL	32,064.46	65,000.00	75,000.00
INSURANCE CONTINGENCY	-	-	-
TOTAL	-	-	-

REPLACEMENT	28,047.06	-	-
TOTAL	28,047.06	-	-
CAPITAL IMPROVEMENTS	36,801.03	-	-
TOTAL	36,801.03	-	-
CAPITAL PROJECTS	888,367.39	-	-
TOTAL	888,367.39	-	-
TRANSPORTATION	77,641.67	100,000.00	100,000.00
TOTAL	77,641.67	100,000.00	100,000.00
GRAND TOTAL	4,322,314.20	3,606,880.00	4,101,583.00

AUTHORIZED STAFFING GUIDE

	<u>2014</u>	<u>2015</u>	<u>2016</u>
City Manager	1	1	1
City Secretary	1	1	1
Administrative Assistant	1	1	1
Utility Clerk	1	1	1
Police Chief	1	1	1
Police Lieutenant	1	0	0
Police Sergeant	0	2	2
Patrol Officers	6	5	6
Court Administrator	1	1	1
Court Clerk	1	1	1
Public Works Director	1	1	1
Crew Leader	1	1	1
Code Enforcement			1
Techs	5	4	5

SALARIES AND WAGES

	FY 2014	FY 2015	Proposed FY 2016	Adopted FY 2016	Adopted Hourly Rate
City Administration					
City Manager	76,475.00	78,005.00	79,565.00	79,565.00	
City Secretary	54,886.00	55,984.00	57,104.00	57,104.00	
Clerk	27,790.00	28,346.00	28,913.00	28,913.00	13.90
Administrative Assist	30,803.00	31,420.00	32,460.00	32,460.00	15.61
City Maintenance					
Public Works Director	50,510.00	51,520.00	52,550.00	52,550.00	
Maintenance Tech	31,150.00	31,824.00	32,460.00	32,460.00	15.61
Police Department					
Chief of Police	65,285.00	68,000.00	69,360.00	69,360.00	
Lieutenant	50,725.00	53,337.00			
Sergeants	47,542.00	49,171.00	50,154.00	50,154.00	24.12
Officers	47,542.00	48,492.00	49,462.00	49,462.00	23.78
Municipal Court					
Court Administrator	35,871.00	36,588.00	37,320.00	37,320.00	17.95
Court Clerk/Secretary	27,790.00	28,346.00	28,913.00	28,913.00	13.90
Code Enforcement					
Code Enforcement Officer	31,420.00	36,588.00	37,320.00	37,320.00	17.95
Water and Sewer					
Crewleader	34,738.00	36,588.00	37,320.00	37,320.00	17.95
Water Tech	31,150.00	31,824.00	32,460.00	32,460.00	15.61

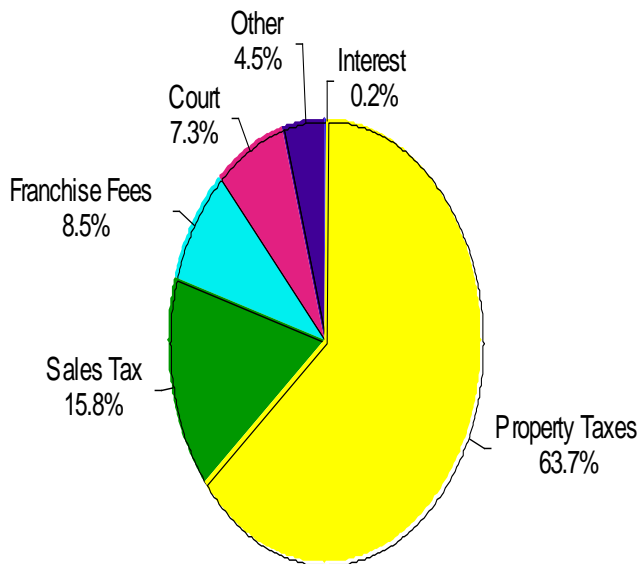
CITY OF RICHWOOD

GENERAL FUND

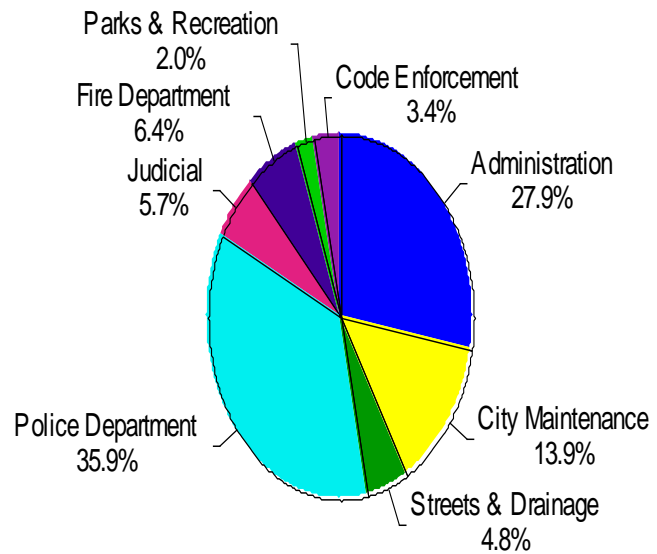
GENERAL OPERATING FUND

Revenues vs Expenditures

Revenues



Expenditures



Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4103 AD VALOREM TAXES	1,076,487.03	1,166,423.00	1,300,664.00
4104 DELINQUENT TAXES	31,438.45	30,000.00	30,000.00
4105 PENALTY & INTEREST	18,322.27	22,000.00	22,000.00
4106 LICENSES & PERMITS	5,803.00	12,000.00	15,000.00
4107 BUILDING PERMITS	45,995.00	40,000.00	50,000.00
4109 MUNICIPAL COURTS	145,600.99	155,934.00	155,000.00
4110 INTEREST EARNED	963.30	1,000.00	1,000.00
4111 FRANCHISE TAXES	164,748.45	180,000.00	180,000.00
4112 MISCELLANEOUS INCOME	18,154.08	24,000.00	24,000.00
4114 ANIMAL FINES/LICENSES	255.00	500.00	500.00
4116 SALES TAX - STREETS	67,948.58	65,000.00	75,000.00
4117 SALES TAX	271,794.19	240,000.00	260,000.00
4121 PARKS AND RECREATION TRANSFER IN FROM FUND BAL.	11,518.50	9,500.00	10,000.00
4123 OTHER REVENUES			
FUND TOTAL	1,859,028.84	1,946,357.00	2,123,164.00

MAJOR BUDGET CHANGES

GENERAL FUND MAJOR REVENUE SOURCES

Ad Valorem Taxes (63.7%)

The Ad Valorem, or Property Tax, accounts for \$1,300,664 in revenues. Including projected delinquent collections and penalty and interest, the contribution to the General Fund (operating) is \$1,352,664 or 63.7% of General Fund Revenues.

Sales Tax (15.8%)

The State of Texas authorizes municipalities to collect a 1¢ sales tax for general operating purposes. Richwood voters recently voted to continue a .25¢ additional sales tax for street maintenance and repairs.

In FY 2015-16 the Sales Tax is projected to bring in \$335,000 or 15.8% of all General Fund Revenues.

Franchise Fees (8.5%)

Utility companies, such as Reliant Energy, Southwestern Bell Telephone, Warner Cablevision and Waste Management use the City's right-of-ways and easements to conduct their business. In exchange for the right to use public-right-of-ways and easements, the companies pay a franchise or rental use fee. In FY 2015-16 these fees will represent a projected \$180,000 (or 8.5% of general operating revenues)

Municipal Court (7.3%)

Fines for violation of City Ordinances, such as speeding, represent a projected \$155,000 in FY 2015-16 (or 7.3% of general revenues).

Of interest, the projected cost to operate the Police Department in FY 2015-16 will be \$762,389. Therefore, fines cover only 20.33% of the cost to operate our Police Department. The cost to operate the Municipal Court in FY 2015-16 is projected to be \$121,983.00.

2014 Property Tax Rates
Brazoria County Cities

Holiday Lakes	1.046788
Sweeny	0.908000
Alvin	0.838600
West Columbia	0.831900
Danbury	0.829169
Brazoria	0.770700
<i>Richwood</i>	<i>0.735680</i>
Angleton	0.723500
Pearland	0.712100
Freeport	0.675586
Clute	0.672000
Manvel	0.580000
Brookside Village	0.500000
Oyster Creek	0.476394
Hillcrest Village	0.448415
Jones Creek	0.410000
Surfside Beach	0.397940
Lake Jackson	0.387500
Liverpool	0.230463
Quintana	0.023640

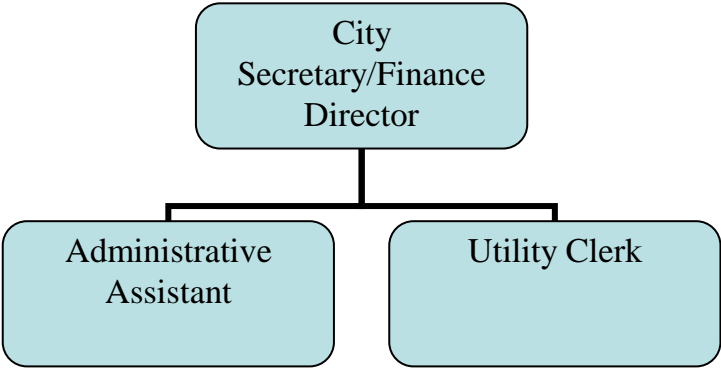
ADMINISTRATION

PROGRAM DESCRIPTION

The Administrative Department includes the City Administrator, City Secretary and office staff and is charged with the administration of the policies of the City Council and enforcement of the ordinances and the orderly operation of the City. The City Administrator is responsible for the day to day operation of the City and to guarantee the goals, policies and objectives of the City Council are adhered to. The City Secretary is responsible for the maintenance and administration of the financial records of the City and serves as the City Tax Assessor/Collector and Records Management Officer. This department is charged with the responsibility of record keeping systems for the financial transactions of the City. The various funds of the City are recorded and disbursed through this office. The Administrative Department is responsible for keeping the official minutes of Council meetings and is responsible for the safekeeping of City ordinances, resolutions and other official documents. This department is always charged with the responsibility of holding the annual elections for members of City Council. In addition to it's normal functions, general oversees the daily operation of the collection of monies for the City.

Legislative costs are also included in this department. The Legislative Branch of the City consists of the Mayor and five Councilpersons, elected by the electorate of the City and are the people's representatives in the most local of all forms of government.

The City Council is charged with the duties and powers as given them by the laws and constitution of the State of Texas and the United States. Final responsibility for the operation of the city government of the City of Richwood rests with the City Council.



Department Administration

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
PERSONNEL COSTS	250,243.25	247,780.00	256,110.00
OPERATING COSTS	53,096.24	42,500.00	53,000.00
MAINTENANCE AND REPAIRS	17,078.58	14,000.00	25,000.00
UTILITIES AND TELEPHONE	13,789.20	16,000.00	14,000.00
SERVICES	70,417.33	64,000.00	71,000.00
SUNDRY	31,521.91	23,000.00	33,000.00
SUBTOTAL	436,146.51	407,280.00	452,110.00
CAPITAL OUTLAY	4,920.99	100,500.00	140,862.00
DEPARTMENT TOTAL	441,067.50	507,780.00	592,972.00
POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE	
CITY MANAGER	1	6,630.42	79,565.00
FINANCE DIRECTOR	1	4,758.67	57,104.00
ADMINISTRATIVE ASSISTANT	1	2,705.00	32,460.00
CLERK	1	2,409.42	28,913.00
OVERTIME		416.67	5,000.00
	4	16,920.17	203,042.00
LESS ADMIN OVERHEAD FROM WATER/SEWER			(39,732.00)
TOTAL SALARIES			163,310.00

MAJOR BUDGET CHANGES

Salaries		2% across the board
Office Supplies	2,000.00	Projected for FY 15 is approximately 29,500
Expendable Supplies	9,000.00	Credit card fees to include online pa
Building & Grounds	10,000.00	Projected for FY 15 is 12,967 and that does not include storm damage

**Department
Administration**

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
01 ADMINISTRATIVE EXP	8,383.79	9,000.00	9,000.00
02 CONTRACT LABOR	3,243.75	4,000.00	4,000.00
03 SALARIES	169,690.90	159,180.00	163,310.00
05 RETIREMENT	21,430.38	23,000.00	27,000.00
10 WORKER'S COMP	424.89	500.00	600.00
15 HOSPITALIZATION	29,307.36	30,000.00	30,000.00
20 UNEMPLOYMENT INS.	888.96	1,200.00	1,200.00
30 TRAINING & TRAVEL	11,113.22	13,000.00	13,000.00
75 EMPLOYEE INCENTIVE	5,760.00	7,900.00	8,000.00
TOTAL	250,243.25	247,780.00	256,110.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES	25,740.11	25,000.00	27,000.00
15 CUSTODIAL SUPPLIES	1,260.68	1,500.00	1,000.00
30 GAS, OIL, & LUBRICANTS			
40 EXPENDABLE SUPPLIES	26,095.45	16,000.00	25,000.00
TOTAL	53,096.24	42,500.00	53,000.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	14,078.58	5,000.00	15,000.00
12 CONTINGENCY FUND M&R	3,000.00	9,000.00	10,000.00
20 OFFICE FURNITURE/FIX			
40 VEHICLE M&R			
65 OTHER EQUIPMENT M&R			
TOTAL	17,078.58	14,000.00	25,000.00

5400 UTILITIES & TELEPHONE			
10 ELECTRICITY	11,032.76	12,000.00	10,000.00
20 TELEPHONE	2,002.61	2,500.00	2,500.00
30 NATURAL GAS	753.83	1,500.00	1,500.00
TOTAL	13,789.20	16,000.00	14,000.00
5500 SERVICES			
10 ELECTIONS	945.60	4,000.00	4,000.00
56 CONT. SERVICES - TAXES	9,566.48	12,000.00	15,000.00
60 ENGINEERING	6,319.00	4,000.00	4,000.00
70 ATTORNEY'S FEES	21,861.78	20,000.00	15,000.00
72 ECONOMIC DEVELOPMENT	7,000.00	2,000.00	10,000.00
80 AUDITOR'S FEES	24,724.47	22,000.00	23,000.00
TOTAL	70,417.33	64,000.00	71,000.00
5600 SUNDRY			
30 INS. - MOTOR VEHICLES			
40 INS. - BLDG/LIAB/BOND	17,715.23	10,000.00	20,000.00
60 DUES & SUBSCRIPTIONS	8,298.00	7,000.00	7,000.00
85 PUBLISHING & ADVERTISING	5,308.68	6,000.00	6,000.00
95 SPECIAL SERVICES - MISC	200.00		
TOTAL	31,521.91	23,000.00	33,000.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT			
35 EQUIP - TIME PAYMENT	4,920.99	5,000.00	5,000.00
40 SPECIAL EQUIPMENT			
50 CONTINGENCY FUND		90,500.00	130,862.00
60 TRANSFER TO CAPITAL		5,000.00	5,000.00
61 TRANSFER TO WATER/SEWER			
TOTAL			

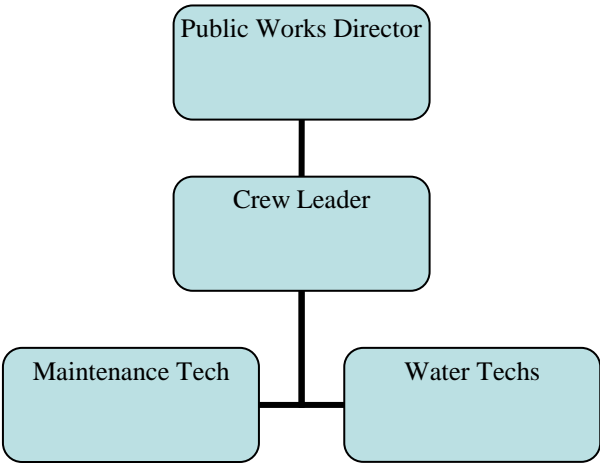
	4,920.99	100,500.00	140,862.00
DEPARTMENT TOTAL	441,067.50	507,780.00	592,972.00

CITY MAINTENANCE

PROGRAM DESCRIPTION

This department is responsible for the maintaining and repairing all public streets and alleys, the erection and maintenance of street signs, mowing of right-of-ways, and the maintenance and construction of all drainage ditches. The actual costs of the materials for the maintenance streets and drainage are reflected in another department. This department is also responsible for the repair and maintenance of all city-owned vehicles and equipment on a routine basis.

The Public Works Director also serves as the City's Building Official who provides a variety of direct services which includes plan review, permit issuance, rental property inspections, enforcement of related codes and ordinances and consultations with persons planning any construction within the City. He also insures that all housing meets minimum housing codes standards.



Department
City Maintenance

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
02 CONTRACT LABOR	834.50	7,000.00	7,000.00
03 SALARIES	136,431.75	88,977.00	125,470.00
05 RETIREMENT	16,631.10	16,000.00	17,000.00
10 WORKER'S COMP	3,034.11	4,000.00	4,000.00
15 HOSPITALIZATION	22,214.16	22,000.00	22,000.00
20 UNEMPLOYMENT INS.	871.63	1,000.00	1,000.00
30 TRAINING & TRAVEL	2,278.17	3,000.00	2,000.00
90 UNIFORMS	660.05	1,600.00	1,600.00
TOTAL	182,955.47	143,577.00	180,070.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES	944.31	500.00	500.00
15 CUSTODIAL SUPPLIES	616.81	500.00	500.00
20 TOOLS	2,132.65	2,000.00	2,000.00
30 GAS, OIL, & LUBRICANTS	10,661.59	10,000.00	10,000.00
40 EXPENDABLE SUPPLIES	5,905.25	3,000.00	3,000.00
45 DUMP CHARGES	3,269.25	2,700.00	2,700.00
70 CHEMICALS	3,969.28	2,000.00	2,000.00
TOTAL	27,499.14	20,700.00	20,700.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	574.81	1,000.00	1,000.00
20 OFFICE FURNITURE/FIX			
40 VEHICLE M&R	6,254.41	5,000.00	6,000.00
60 RADIO M&R			

		3,000.00	10,000.00
65 OTHER EQUIPMENT M&R	7,966.53	4,000.00	4,000.00
76 SIGNS M&R	2,413.63	2,500.00	2,500.00
TOTAL	17,209.38	15,500.00	23,500.00
5400 UTILITIES & TELEPHONE			
10 ELECTRICITY	35,738.09	35,000.00	35,000.00
20 TELEPHONE	3,637.38	3,000.00	3,000.00
30 NATURAL GAS	641.09	400.00	400.00
TOTAL	40,016.56	38,400.00	38,400.00
5500 SERVICES			
60 ENGINEERING			
70 ATTORNEY'S FEES	315.00	500.00	500.00
TOTAL	315.00	500.00	500.00
5600 SUNDRY			
30 INS. - MOTOR VEHICLES	2,229.18	3,500.00	2,000.00
40 INS. - BLDG/LIAB/BOND	1,655.98	3,000.00	4,000.00
60 DUES & SUBSCRIPTIONS	9,032.68	11,000.00	9,000.00
85 PUBLISHING & ADVERTISING		500.00	500.00
95 SPECIAL SERVICES - MISC	9,300.00	7,300.00	7,300.00
TOTAL	22,217.84	25,300.00	22,800.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT			
20 MOTOR VEHICLES			
30 EQUIPMENT			9,000.00
35 EQUIP - TIME PAYMENT			
40 SPECIAL EQUIPMENT			
TOTAL	-	-	9,000.00

DEPARTMENT TOTAL

290,213.39

243,977.00

294,970.00

STREETS AND DRAINAGE

PROGRAM DESCRIPTION

The costs for the materials necessary for the repair and maintenance of city streets and the maintenance and construction of all drainage ditches, drainage facilities and improvements related to drainage in the city are recorded in this department.

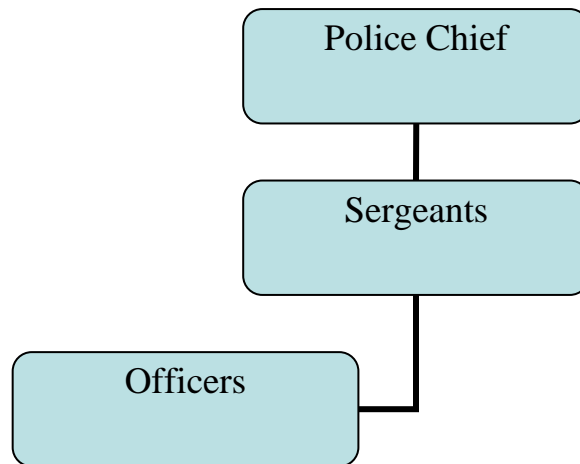
Department
Streets and Drainage

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5300 MAINTENANCE & REPAIRS			
80 STREET M&R	29,235.21	24,000.00	24,000.00
85 DRAINAGE M&R	8,262.63	5,000.00	5,000.00
TOTAL	37,497.84	29,000.00	29,000.00
5500 SERVICES			
60 ENGINEERING		5,000.00	5,000.00
TOTAL	-	5,000.00	5,000.00
5900 CAPITAL OUTLAY			
65 STREET PROJECTS	47,981.76	60,000.00	60,000.00
75 DRAINAGE		7,000.00	7,000.00
TOTAL	47,981.76	67,000.00	67,000.00
DEPARTMENT TOTAL	85,479.60	101,000.00	101,000.00

POLICE DEPARTMENT

PROGRAM DESCRIPTION

As always the main goal of the Richwood Police Department is to serve the citizens of this city with the very best policing this department can offer. By making the listed changes our overall ability to meet this goal is even more obtainable than by just mere patrol techniques alone. The city is one of change, change in growth and potential future business. It is the goal of this police department to be as proactive as possible to these changes and continue to offer the services that Richwood citizens have come to deserve and expect.



Department
Police

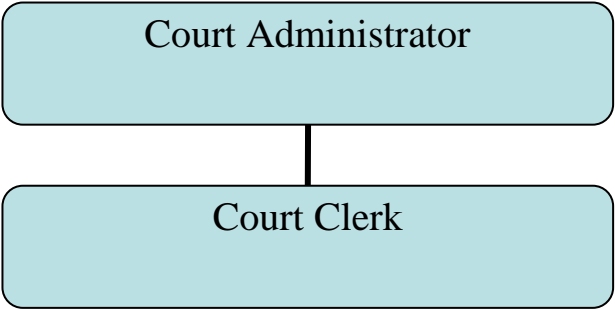
EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
02 CONTRACT LABOR			
03 SALARIES	443,342.19	447,320.00	452,821.00
05 RETIREMENT	64,003.62	58,000.00	62,000.00
10 WORKER'S COMP	9,607.42	10,000.00	12,000.00
15 HOSPITALIZATION	59,855.72	65,000.00	65,000.00
20 UNEMPLOYMENT INS.	1,512.01	2,000.00	2,000.00
30 TRAINING & TRAVEL	6,118.49	11,300.00	11,300.00
75 EMPLOYEE INCENTIVE	7,800.00	6,700.00	8,200.00
90 UNIFORMS	3,130.46	1,500.00	3,800.00
TOTAL	595,369.91	601,820.00	617,121.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES	5,232.22	5,000.00	5,000.00
15 CUSTODIAL SUPPLIES			
20 TOOLS	2,437.84	1,500.00	1,500.00
30 GAS, OIL, & LUBRICANTS	29,256.17	30,208.00	30,208.00
40 EXPENDABLE SUPPLIES	2,055.37	1,500.00	1,500.00
TOTAL	38,981.60	38,208.00	38,208.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	644.43		
20 OFFICE FURNITURE/FIX			
40 VEHICLE M&R	8,905.05	10,300.00	11,000.00
60 RADIO M&R	595.95		360.00
65 OTHER EQUIPMENT M&R	1,601.20	2,000.00	2,500.00

TOTAL	11,746.63	12,300.00	13,860.00
5400 UTILITIES & TELEPHONE			
20 TELEPHONE	5,996.90	6,000.00	8,000.00
TOTAL	5,996.90	6,000.00	8,000.00
5500 SERVICES			
40 DISPATCH SERVICES	34,000.00	34,000.00	34,000.00
42 JAIL EXPENSE	7,345.25	4,500.00	4,500.00
58 ANIMAL CONTROL	6,000.00	6,000.00	12,400.00
70 ATTORNEY'S FEES	11,449.37	250.00	
TOTAL	58,794.62	44,750.00	50,900.00
5600 SUNDRY			
30 INS. - MOTOR VEHICLES	3,393.40	4,000.00	6,000.00
40 INS. - BLDG/LIAB/BOND	4,853.50	6,000.00	8,000.00
60 DUES & SUBSCRIPTIONS	1,168.00	1,900.00	1,900.00
85 PUBLISHING & ADVERTISING			4,000.00
95 SPECIAL SERVICES - MISC	3,308.38	4,000.00	7,000.00
TOTAL	12,723.28	15,900.00	26,900.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT	-		
20 MOTOR VEHICLES			
30 EQUIPMENT	-		5,300.00
35 EQUIP - TIME PAYMENT	-		2,100.00
40 SPECIAL EQUIPMENT	-		
TOTAL	-	-	7,400.00
DEPARTMENT TOTAL	723,612.94	718,978.00	762,389.00

JUDICIAL DEPARTMENT

PROGRAM DESCRIPTION

This department is charged with carrying out responsibilities as outlined in the laws of the State of Texas and ordinances of the City in its function as the judicial branch of the municipal government. The Municipal Court is responsible for administering the disposition of Class C misdemeanor charges brought against persons within the geographical boundaries of the City. The Court Clerk is responsible for the maintenance of the Municipal Court Docket and monitoring collection of fines assessed by the Municipal Judges, reporting traffic offense convictions to the Department of Public Safety, reporting monthly case statistics and revenue to the State Office of Court Administration and State Quarterly tax reports of court costs collected. The Judges preside over all Court hearings which include docket calls of each week and jury trials.



Department Judicial

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
PERSONNEL COSTS	100,831.07	104,784.00	106,083.00
OPERATING COSTS MAINTENANCE AND REPAIRS	4,402.00	5,700.00	5,700.00
	-	-	-
UTILITIES AND TELEPHONE	-	-	-
SERVICES	5,990.78	9,000.00	10,000.00
SUNDRY	114.00	200.00	200.00
SUBTOTAL	111,337.85	119,684.00	121,983.00
CAPITAL OUTLAY	-	-	-
DEPARTMENT TOTAL	111,337.85	119,684.00	121,983.00
POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE	
COURT ADMINISTRATOR	1	3,110.00	37,320.00
COURT CLERK	1	2,409.42	28,913.00
JUDGE	1	200.00	2,400.00
ALTERNATE JUDGE	1	200.00	2,400.00
OVERTIME		291.67	3,500.00
	4	6,211.08	74,533.00
TOTAL SALARIES			74,533.00

MAJOR BUDGET CHANGES

Salaries 2% increase

Attorney's fees

1,000.00

FY 15 projected expenses are \$9,076

Department
Judicial

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
03 SALARIES AND WAGES	74,565.76	73,234.00	74,533.00
05 RETIREMENT	9,058.98	11,000.00	11,000.00
10 WORKERS COMP	282.79	300.00	300.00
15 HOSPITALIZATION	14,836.28	17,500.00	17,500.00
20 UNEMPLOYMENT INSURANCE	595.07	750.00	750.00
30 TRAINING & TRAVEL	1,492.19	2,000.00	2,000.00
TOTAL	100,831.07	104,784.00	106,083.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES	4,331.00	5,200.00	5,200.00
40 EXPENDABLE SUPPLIES	71.00	500.00	500.00
TOTAL	4,402.00	5,700.00	5,700.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	-	-	-
20 OFFICE FURNITURE/FIX	-	-	-
TOTAL	-	-	-
5500 SERVICES			
65 JURY EXPENSE	66.00	500.00	500.00
70 ATTORNEY'S FEES	5,924.78	8,500.00	9,500.00
TOTAL	5,990.78	9,000.00	10,000.00
5600 SUNDRY			

60 DUES & SUBSCRIPTIONS	114.00	200.00	200.00
85 PUBLISHING & ADVERTISING	-	-	
TOTAL	114.00	200.00	200.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT			
30 EQUIPMENT			
40 SPECIAL EQUIPMENT			
TOTAL	-	-	-
DEPARTMENT TOTAL	111,337.85	119,684.00	121,983.00

FIRE DEPARTMENT

PROGRAM DESCRIPTION

This department is charged with the responsibilities of firefighting operations and fire prevention within the City and its extra-territorial jurisdiction and is also responsible for mutual aid assistance 24 hours a day, 365 days a year.

Department
Fire Department

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
PERSONNEL COSTS	8,608.06	21,650.00	21,650.00
OPERATING COSTS	9,348.56	12,600.00	12,600.00
MAINTENANCE AND REPAIRS	10,514.65	8,500.00	8,500.00
UTILITIES AND TELEPHONE	4,286.69	4,200.00	4,200.00
SERVICES	65,000.00	70,000.00	75,000.00
SUNDRY	7,134.56	4,800.00	4,800.00
SUBTOTAL	104,892.52	121,750.00	126,750.00
CAPITAL OUTLAY	19,639.20	8,500.00	8,500.00
DEPARTMENT TOTAL	124,531.72	130,250.00	135,250.00

MAJOR BUDGET CHANGES

Department
Fire Department

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
06 PENSION PLAN	7,800.00	13,500.00	13,500.00
10 WORKER'S COMP	531.94	650.00	650.00
30 TRAINING & TRAVEL	21.30	1,000.00	1,000.00
90 UNIFORMS	254.82	6,500.00	6,500.00
TOTAL	8,608.06	21,650.00	21,650.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES	1,056.68	1,000.00	1,000.00
15 CUSTODIAL SUPPLIES	65.38	300.00	300.00
20 TOOLS	6,177.97	7,500.00	7,500.00
30 GAS, OIL, & LUBRICANTS	2,048.53	2,800.00	2,800.00
40 EXPENDABLE SUPPLIES			
85 FIRE PREVENTION SUPPLIES		1,000.00	1,000.00
TOTAL	9,348.56	12,600.00	12,600.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	2,717.96	1,500.00	1,500.00
40 VEHICLE M&R	4,124.04	5,000.00	5,000.00
60 RADIO M&R	549.95	1,000.00	1,000.00
65 OTHER EQUIPMENT M&R	3,122.70	1,000.00	1,000.00
TOTAL	10,514.65	8,500.00	8,500.00
5400 UTILITIES & TELEPHONE			
10 ELECTRICTY	2,128.58	2,300.00	2,300.00

20 TELEPHONE	1,937.56	1,600.00	1,600.00
30 NATURAL GAS	220.55	300.00	300.00
TOTAL	4,286.69	4,200.00	4,200.00
5500 SERVICES			
60 ENGINEERING	-	-	-
66 CONTRACT - AMBULANCE	65,000.00	70,000.00	75,000.00
70 ATTORNEY'S FEES	-	-	-
TOTAL	65,000.00	70,000.00	75,000.00
5600 SUNDRY			
30 INS. - MOTOR VEHICLES	2,582.82	3,000.00	3,000.00
40 INS. - BLDG/LIAB/BOND	3,856.74	1,000.00	1,000.00
60 DUES & SUBSCRIPTIONS	695.00	800.00	800.00
85 PUBLISHING & ADVERTISING	-	-	-
95 SPECIAL SERVICES - MISC	-	-	-
TOTAL	7,134.56	4,800.00	4,800.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT	-	-	-
20 MOTOR VEHICLES	-	-	-
30 EQUIPMENT	19,639.20	8,500.00	8,500.00
35 EQUIP - TIME PAYMENT	-	-	-
40 SPECIAL EQUIPMENT	-	-	-
TOTAL	19,639.20	8,500.00	8,500.00
DEPARTMENT TOTAL	124,531.72	130,250.00	135,250.00

PARKS AND RECREATION

PROGRAM DESCRIPTION

This department is responsible for the function of directing and managing a program of developing and providing parks and recreational facilities and services for the residents of the City of Richwood.

This department maintains and develops our City parks, parkways, landscaping projects, and green areas surrounding City buildings and facilities. Areas are maintained according to standards which insure safe and aesthetically pleasing places of leisure through mowing, horticulture practices, repair, cleaning and litter removal.

It also provides recreational, education, and physical activities for the public. The programs provided utilize our City facilities and parks, and are a vital contribution to the enhancement of the quality of life in our community.

Included in this budget is a line item for the Richwood Beautification Committee which is a commission of the City of Richwood and charged with the restoration, preservation and enhancement of scenic beauty of the City of Richwood. The all volunteer Committee promotes anti-litter awareness, recycling, proper solid waste management and overall city cleanliness through an aggressive program which includes education, city-wide clean ups, recycling programs, law enforcement and public awareness.

Beautification Committee
2015-16
Calendar and Goals

The Beautification Committee has established the following calendar for the next year.

<i>June</i>	Swear in New Members and Reorganize Commission Set Date and Time of Meetings Assign Members to Months for choosing Award Winners Review progress on landscape projects KTB Convention Flag Day Finalize budget
<i>July</i>	Review progress on landscape projects Flags for 4 th of July Focus deadline
<i>August</i>	Review progress on landscape projects Litter Index Survey Due
<i>September</i>	Flags for Labor Day Flags for Patriots Day Arbor Day Poster contest for 5 th graders Review progress on landscape projects
<i>October</i>	Review progress on landscape projects Focus Deadline Brazoria County Fair Garage Sale Flyers to Polk and OLQP for Fall Clean Up
<i>November</i>	Fall Clean-up Review progress on landscape projects Flags for Veterans Day
<i>December</i>	Christmas in the Park Flags for Pearl Harbor Day
<i>January</i>	Focus deadline
<i>February</i>	Review Progress on Landscape Projects Entry Due for Keep Texas Beautiful
<i>March</i>	Review progress on landscape projects Flyers to Polk and OLQP for Spring Clean Up
<i>April</i>	Spring Clean Up Review progress on landscape projects Preliminary budget discussion Review Progress on Landscape Projects Arbor Day (Last Friday in April) Focus deadline
<i>May</i>	Preliminary budget discussion Review progress on landscape projects Flags for Memorial Day Finalize Calendar and Goals

Department
Parks and Recreation

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
PERSONNEL COSTS	-	-	-
OPERATING COSTS	7,005.05	3,200.00	5,500.00
MAINTENANCE AND REPAIRS	76,752.54	43,000.00	17,000.00
UTILITIES AND TELEPHONE	1,615.44	2,500.00	2,500.00
SERVICES	330.00	-	-
SUNDRY	4,383.04	2,000.00	6,500.00
PARKS AND RECREATION	22.67	13,500.00	11,000.00
SUBTOTAL	90,086.07	50,700.00	42,500.00
CAPITAL OUTLAY	-	-	-
DEPARTMENT TOTAL	90,108.74	64,200.00	42,500.00

MAJOR BUDGET CHANGES

Expendable supplies	1,800.00	FY 15 expenses to date are \$1,159.83
Buiding & Grounds	(25,000.00)	No plans for major parks improvement this year
Ins.-Bldg/Liab/Bond	3,500.00	FY 15 expenses are \$3,067.93

Department
Parks and Recreation

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
02 CONTRACT LABOR			
03 SALARIES			
05 RETIREMENT			
10 WORKER'S COMP			
20 UNEMPLOYMENT INS.			
30 TRAINING & TRAVEL			
TOTAL	-	-	-
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES			
15 CUSTODIAL SUPPLIES	921.13	1,500.00	1,500.00
20 TOOLS	217.47		
40 EXPENDABLE SUPPLIES	4,515.45	200.00	2,000.00
70 CHEMICALS	1,351.00	1,500.00	2,000.00
TOTAL	7,005.05	3,200.00	5,500.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	75,518.61	40,000.00	15,000.00
65 OTHER EQUIPMENT M&R	1,233.93	3,000.00	2,000.00
TOTAL	76,752.54	43,000.00	17,000.00
5400 UTILITIES & TELEPHONE			
10 ELECTRICITY	1,615.44	2,500.00	2,500.00
20 TELEPHONE			
TOTAL	1,615.44	2,500.00	2,500.00
5500 SERVICES			
60 ENGINEERING	330.00	-	
70 ATTORNEY'S FEES			

		-	-
TOTAL	330.00	-	-
5600 SUNDRY			
40 INS. - BLDG/LIAB/BOND	4,383.04	2,000.00	5,500.00
60 DUES & SUBSCRIPTIONS		-	-
85 PUBLISHING & ADVERTISING			1,000.00
95 SPECIAL SERVICES - MISC	-	-	-
TOTAL	4,383.04	2,000.00	6,500.00
5800 PARKS AND RECEPTION			
50 BEAUTIFICATION	22.67	1,000.00	1,000.00
51 EVENTS		12,500.00	10,000.00
TOTAL	22.67	13,500.00	11,000.00
5900 CAPITAL OUTLAY			
30 EQUIPMENT			
40 SPECIAL EQUIPMENT			
TOTAL	-	-	-
DEPARTMENT TOTAL	90,108.74	64,200.00	42,500.00

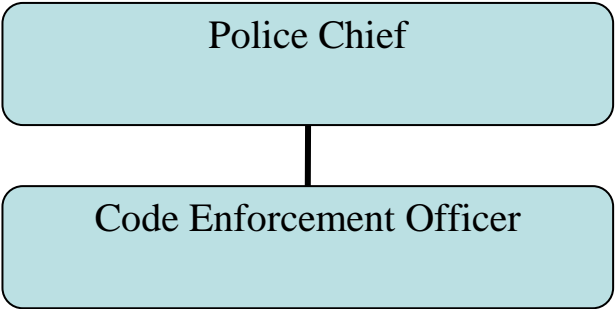
CODE ENFORCEMENT

PROGRAM DESCRIPTION

The purpose of the code enforcement department is to establish and maintain a standard of quality of life for all citizens by providing quality inspections and bringing about improvements and rehabilitation to the neighborhoods and communities that are served.

Code enforcement involves the inspection, improvement, and rehabilitation of environmental hazards in public and private premises by determining the presence of fire or health hazards, nuisance violations, unsafe building conditions, and violations of any fire, health, or building regulation, statute or ordinance.

The City’s Code Enforcement Officer is an agent of this municipality who engages in code enforcement and has one year or more of experience in the field of code enforcement.



Department
Code Enforcement

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
PERSONNEL COSTS	-	52,588.00	54,784.00
OPERATING COSTS	-	3,900.00	4,400.00
MAINTENANCE AND REPAIRS	-	1,000.00	1,000.00
UTILITIES AND TELEPHONE	-	-	-
SERVICES	-	1,000.00	2,500.00
SUNDRY	-	2,000.00	1,800.00
SUBTOTAL	-	60,488.00	64,484.00
CAPITAL OUTLAY	-	-	-
DEPARTMENT TOTAL	-	60,488.00	64,484.00
POSITION TITLE	EMPLOYEE SALARY RANGE		
	NUMBER		
CODE ENFORCMENT OFFICER	1	3,110.00	37,320.00
OVERTIME		192.83	2,314.00
	1	3,302.83	39,634.00
TOTAL SALARIES			39,634.00

MAJOR BUDGET CHANGES

Salaries	2% increase
	Overtime
Tools	Tools necessary for health inspections

**Department
Code Enforcement**

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
03 SALARIES AND WAGES		36,588.00	39,634.00
05 RETIREMENT		4,500.00	4,500.00
10 WORKERS COMP		1,000.00	1,000.00
15 HOSPITALIZATION		7,800.00	8,500.00
20 UNEMPLOYMENT INSURANCE		200.00	400.00
30 TRAINING & TRAVEL		2,000.00	2,366.00
90 UNIFORMS		500.00	500.00
TOTAL	-	52,588.00	56,900.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES		1,000.00	1,500.00
20 TOOLS		1,000.00	3,000.00
30 GAS, OIL & LUBRICANTS		1,500.00	1,500.00
40 EXPENDABLE SUPPLIES		400.00	700.00
TOTAL	-	3,900.00	6,700.00
5300 MAINTENANCE & REPAIRS			
20 OFFICE FURNITURE/FIX	-	-	
40 VEHICLE M&R	-	1,000.00	3,000.00
TOTAL	-	1,000.00	3,000.00
5500 SERVICES			
70 ATTORNEY'S FEES		1,000.00	3,500.00
TOTAL			

	-	1,000.00	3,500.00
5600 SUNDRY			
30 INS. MOTOR VEHICLES		1,000.00	1,000.00
60 DUES & SUBSCRIPTIONS		500.00	500.00
85 PUBLISHING & ADVERTISING	-	500.00	500.00
TOTAL	-	2,000.00	2,000.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT			
20 MOTOR VEHICLES			
30 EQUIPMENT			
40 SPECIAL EQUIPMENT			
TOTAL	-	-	-
DEPARTMENT TOTAL	-	60,488.00	72,100.00

CITY OF RICHWOOD

GENERAL OBLIGATION DEBT SERVICE FUND

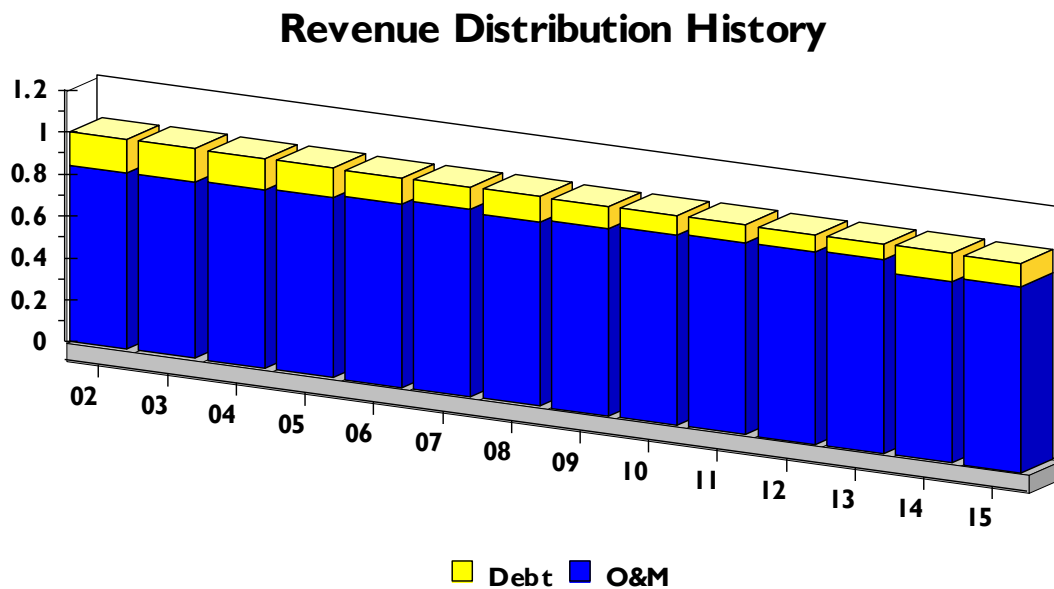
GENERAL OBLIGATION DEBT SERVICE

The General Obligation Debt Service Fund is used for the accumulation of resources to provide for the payment of debt service on the City's General Obligation Bonds and to provide a reserve for such payment. Resources include a portion of the Ad Valorem Tax Levy and earnings from investment of the fund. (The Ad Valorem Tax Levy is pledged as security on outstanding General Obligation Bonds.)

The portion of the current year Tax Levy allocated to General Obligation Debt Service Fund is based on current year principal and interest requirements less anticipated interest earnings on the fund. This calculation gives the necessary dollar figure, the debt service portion of the tax rate is then calculated based on a 98% collection rate.

Tax Rate Limitations. The City is a Type A General Law City with a maximum authorized rate for all purposes of \$1.50 per \$100 assessed valuation. This maximum tax rate is imposed by the Constitution of the State of Texas.

Ad Valorem Tax



**General Obligation
Debt
Revenues**

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4103 INTEREST & SINKING 4210 TRANS IN-GENERAL FUND	169,892.14	167,820.00	170,455.00
4110 INTEREST EARNED	122.02	190.00	200.00
FUND TOTAL	170,014.16	168,010.00	170,655.00

**General Obligation Debt
Expenditures**

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5900 CAPITAL OUTLAY			
10 BOND FEES	836.25	1,000.00	1,000.00
60 BANK LOAN	21,388.64	21,390.00	21,390.00
50 CO SERIES 2011 REFUNDING	65,188.51	68,780.00	72,215.00
50 CO SERIES 2012	78,150.00	76,750.00	75,850.00
FUND TOTAL	165,563.40	167,920.00	170,455.00

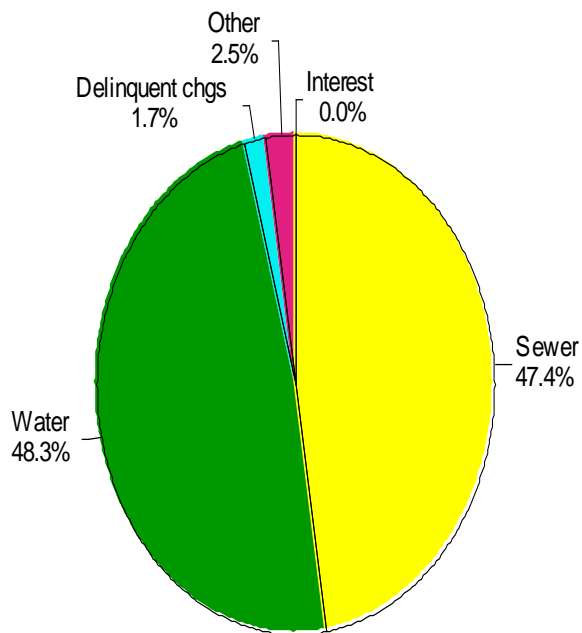
CITY OF RICHWOOD

WATER AND SEWER FUND

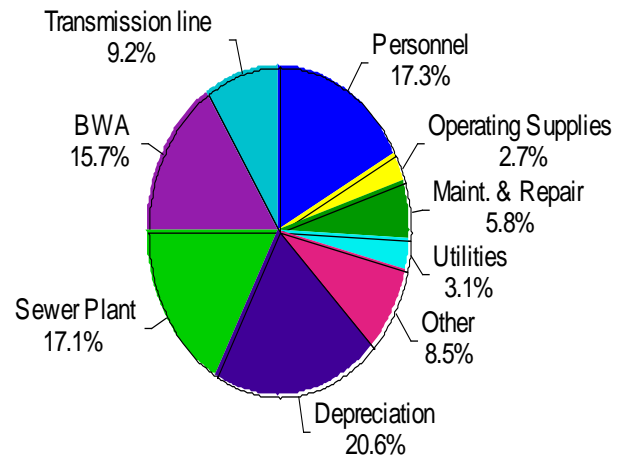
WATER/SEWER FUND

Revenues vs Expenditures

Revenues



Expenditures



Water/Sewer Fund

Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4110 INTEREST EARNED	325.00	500.00	100.00
4410 WATER FEES	424,157.41	616,060.00	706,900.00
4420 SEWER FEES	366,644.09	603,011.00	693,830.00
4430 DELINQUENT CHARGES	22,229.12	25,000.00	25,000.00
4440 WATER TAPS	11,462.50	12,000.00	12,000.00
4450 SEWER TAPS	3,062.50	5,500.00	6,500.00
4460 RECONNECT FEES	5,000.00	7,000.00	7,000.00
4470 GARBAGE RECEIPTS	2,897.23	5,000.00	5,000.00
4112 MISCELLANEOUS TRANSFER IN FUND	12,938.66	6,000.00	6,000.00
BALANCE TRANSFER IN - CAPITAL PROJ		.	
FUND TOTAL	848,716.51	1,280,071.00	1,462,330.00

WATER/SEWER FUND

MAJOR REVENUE SOURCES

Water Sales (48.3%)

Water Sales account for \$706,900 (48.3%) of Utility Revenues projected for FY 2015-16.

The City buys 235,000 gallons of water per day (on a take or pay basis) from the Brazosport Water Authority for \$2.63 per 1,000 gallons of water. The City charges the following for water:

	Base Rate (2,000 gallons)	\$19.50 per month
	3,000+	\$ 3.85 per 1,000 gallons
Over 65		
	Base rate (4,000 gallons)	\$19.50 per month
	Over 4,000 gallons	\$ 2.85 per 1,000 gallons
Fire Department		
	Base rate (4,000 gallons)	free
	Over 4,000 gallons	\$ 3.85 per 1,000 gallons

This rate covers the cost of the water purchased from BWA; cost to operate the water well and to maintain the distribution system; and, to cover water portions of Debt Service Requirements.

Sewer Sales (47.4%)

Sewer Sales are projected to be \$6693,830 in FY 2015-16..

The current sewer rates are:

	Base Rate (2,000 gallons)	\$17.50 per month
	3,000 +	\$ 3.85 per 1,000 gallons
Over 65		
	Base rate (4,000 gallons)	\$17.50 per month
	Over 4,000 gallons	\$ 2.85 per 1,000 gallons
Fire Department		
	Base rate (4,000 gallons)	free
	Over 4,000 gallons	\$ 3.85 per 1,000 gallons

The sewer rates cover the cost of the City's collection system, including 6 lift stations, the City's portion of the cost to operate the jointly owned Richwood/Clute Sewage Treatment Plant, as well as any Debt Service related to the sewer system.

How do we compare to other cities our size?

5,000 gals. Consumed				10,000 gals. Consumed			
	Water	Sewer	Total		Water	Sewer	Total
Farmersville	36.96	69.79	106.75	Farmersville	69.06	119.19	188.25
Hamilton	57.10	34.26	91.36	Reno	100.00	35.75	135.75
Reno	62.50	27.00	89.50	Henrietta	93.00	37.00	130.00
Henrietta	49.25	27.00	76.25	Hamilton	79.20	45.50	124.70
Brazoria	36.30	29.75	66.05	Sweeny	59.23	50.13	109.36
Nocona	37.00	26.00	63.00	Brazoria	60.55	46.00	106.55
Eagle Lake	25.00	37.00	62.00	Eagle Lake	42.50	62.00	104.50
State Avg.	32.10	27.30	59.40	West Columbia	51.68	47.77	99.45
Gilmer	36.62	21.21	57.83	State Avg.	51.21	40.78	91.99
Olney	33.50	23.00	56.50	Gilmer	48.86	35.11	83.97
Sweeny	29.55	26.25	55.80	Fairfield	53.12	24.38	77.50
West Columbia	22.35	27.37	49.72	Olney	48.50	28.00	76.50
Fairfield	26.81	18.51	45.32	Nocona	45.75	26.00	71.75
<i>Richwood</i>	<i>22.20</i>	<i>20.20</i>	<i>42.40</i>	<i>Richwood</i>	<i>36.70</i>	<i>34.70</i>	<i>71.40</i>
Caldwell	18.56	16.83	35.39	Caldwell	30.16	25.63	55.79
Oyster Creek	18.88	15.10	33.98	Oyster Creek	30.40	20.00	50.40

WATER AND SEWER DEPARTMENT

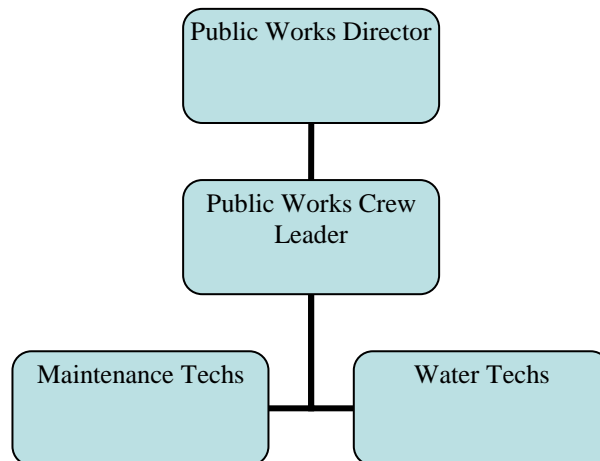
PROGRAM DESCRIPTION

This department is responsible for the production, storage, and the distribution of the potable water throughout the City of Richwood in accordance with requirements of the Texas Natural Resource Conservation Commission, the Texas Department of Health, the Texas Commission on Fire Protection and the United States Environmental Protection Agency. It includes the operation of the booster pumps, repair of lines, meters, and maintenance of other appurtenances associated with the water distribution system. Also included are the City's contracted costs for the operation of the Brazosport Water Authority. The City has a take or pay agreement to purchase 235,000 gallons per day from the BWA. The surface water is supplemented by the City's water well.

The meter reader is also funded out of this department. One half of the personnel costs associated with the Utility Clerk is budgeted from this department. This position is responsible for maintaining all utility customer records, bills for service provided and monitors and collects active and inactive accounts receivable.

This department is also responsible for the collection of all waste water and its transmission to the Sewage Treatment Plant. It includes the operation, maintenance and repair of all lines, manholes and lift stations connected with the sewer collection system up to and included the College Drive lift station.

Costs for the City of Richwood's portion of the operation of the jointly owned Richwood/Clute sewage treatment plant are reflected in this department.



**Department
Water/Sewer**

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
PERSONNEL COSTS	193,640.98	228,063.00	252,932.00
OPERATING COSTS	54,491.52	39,800.00	39,500.00
MAINTENANCE AND REPAIRS	81,133.07	85,000.00	85,000.00
UTILITIES AND TELEPHONE	48,528.68	45,000.00	45,100.00
SERVICES	134,826.76	148,059.00	137,135.00
SUNDRY	38,562.89	29,400.00	30,000.00
SUBTOTAL	551,183.90	575,322.00	589,667.00
CAPITAL OUTLAY	611,397.51	704,749.00	872,663.00
DEPARTMENT TOTAL	1,162,581.41	1,280,071.00	1,462,330.00
POSITION TITLE	NUMBER	EMPLOYEE SALARY RANGE	
CREWLEADER	1	3,110.00	37,320.00
WATER TECH	1	2,705.00	32,460.00
WATER TECH	1	2,705.00	32,460.00
WATER TECH	1	2,705.00	32,460.00
OVERTIME		1,000.00	12,000.00
ADMIN.OVERHEAD			39,732.00
	3	9,115.00	186,432.00
TOTAL SALARIES			186,432.00

MAJOR BUDGET CHANGES

Salaries		2% increase
Retirement	8,000.00	FY 15 expense is projected to be \$24,018.53
Hospitalization	7,000.00	FY 15 expense is projected to be \$32,938.20
Office Supplies	5,000.00	FY 15 expense is projected to be \$17,306.78
Sewage Treatment Plant	50,000.00	City is obligated to pay for the fine bubble diffusion project at the Sewage Treatment Plant - This includes our portion of the bond payments
Contingency	61,323.00	Increase for fund balance
Brazosport Water Authority	40,000.00	Anticipating an increase in rates

Department
Water/Sewer

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5100 PERSONNEL COSTS			
02 CONTRACT LABOR	576.00	1,000.00	1,000.00
03 SALARIES	148,146.29	176,563.00	186,432.00
05 RETIREMENT	12,983.02	16,000.00	24,000.00
10 WORKER'S COMP	3,034.11	3,500.00	3,500.00
15 HOSPITALIZATION	25,180.35	26,000.00	33,000.00
20 UNEMPLOYMENT INS.	1,194.43	1,000.00	1,000.00
30 TRAINING & TRAVEL	2,526.78	4,000.00	4,000.00
90 UNIFORMS		-	
TOTAL	193,640.98	228,063.00	252,932.00
5200 OPERATING SUPPLIES			
10 OFFICE SUPPLIES	12,573.99	10,000.00	15,000.00
15 CUSTODIAL SUPPLIES		300.00	300.00
20 TOOLS	1,229.65	2,000.00	2,000.00
30 GAS, OIL, & LUBRICANTS	18,283.39	20,000.00	15,000.00
40 EXPENDABLE SUPPLIES	17,858.39	500.00	2,200.00
70 CHEMICALS	4,546.10	7,000.00	5,000.00
TOTAL	54,491.52	39,800.00	39,500.00
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS	823.00	2,000.00	2,000.00
20 OFFICE FURNITURE/FIX			
40 VEHICLE M&R		3,000.00	3,000.00
65 OTHER EQUIPMENT M&R			

90 WATER LINES M&R	54,091.49	45,000.00	45,000.00
92 SEWER LINES M&R	26,218.58	35,000.00	35,000.00
TOTAL	81,133.07	85,000.00	85,000.00
5400 UTILITIES & TELEPHONE			
10 ELECTRICITY	46,363.81	42,000.00	42,000.00
20 TELEPHONE	2,164.87	2,500.00	2,500.00
30 NATURAL GAS		500.00	600.00
TOTAL	48,528.68	45,000.00	45,100.00
5500 SERVICES			
05 LEASE EXPENSE	132,269.00	133,559.00	134,635.00
60 ENGINEERING		12,000.00	2,500.00
70 ATTORNEY'S FEES	2,557.76	2,500.00	
TOTAL	134,826.76	148,059.00	137,135.00
5600 SUNDRY			
30 INS. - MOTOR VEHICLES	2,229.18	3,400.00	2,000.00
40 INS. - BLDG/LIAB/BOND	33,935.40	25,000.00	25,000.00
60 DUES & SUBSCRIPTIONS	1,504.71	500.00	2,500.00
85 PUBLISHING & ADVERTISING	893.60	500.00	500.00
95 SPECIAL SERVICES - MISC			
TOTAL	38,562.89	29,400.00	30,000.00
5900 CAPITAL OUTLAY			
10 OFFICE EQUIPMENT			
20 MOTOR VEHICLES	23,978.75	25,000.00	
30 EQUIPMENT			
35 EQUIP - TIME PAYMENT	17,572.04	20,000.00	20,000.00
40 SPECIAL EQUIPMENT			
50 CONTINGENCY		10,000.00	71,323.00
90 SEWAGE TREATMENT			

PLANT	185,727.72	200,000.00	250,000.00
95 BRAZOSPORT WATER AUTH	164,688.00	190,000.00	230,000.00
96 DEPRECIATION	219,431.00	259,749.00	301,340.00
TOTAL	611,397.51	704,749.00	872,663.00
DEPARTMENT TOTAL	1,162,581.41	1,280,071.00	1,462,330.00

Net Income (loss) - legal basis -

Capital acquisitions

Debt principal payments

Depreciation (unbudgeted)

Net income - on a GAAP basis



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THE CITY OF RICHWOOD

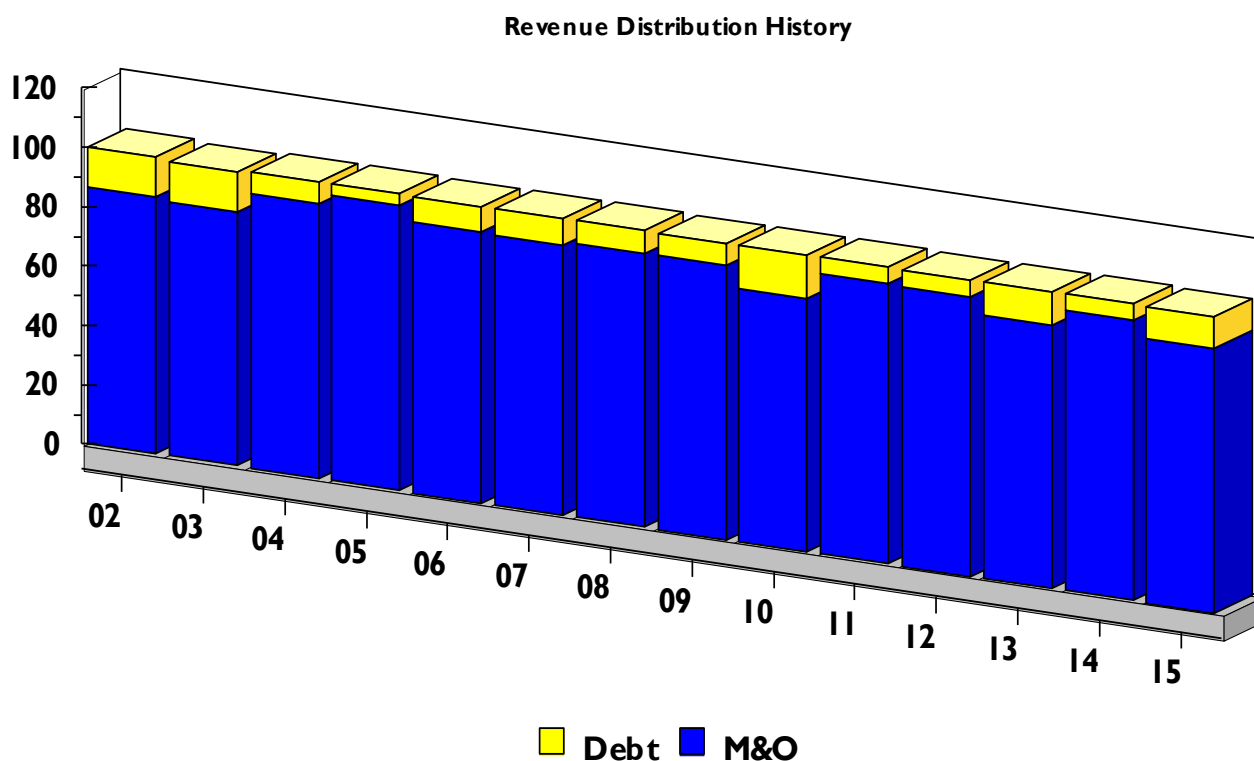
REVENUE BOND DEBT SERVICE FUND

REVENUE BONDS DEBT SERVICE

The Revenue Bonds Debt Service Fund is used for the accumulation of resources for the payment of Water and Sewer Revenue Bonds and also to provide a reserve as provided by the City's bond ordinances. These ordinances currently require the City to maintain a balance equal to the succeeding fiscal year's principal and interest payment.

The Revenue Bond Debt Service is provided by Water and Sewer Fees. Issuance of additional bonds may impact Water and Sewer fees, but will have no impact on property tax rates.

UTILITY REVENUES



**Revenue Bond Debt
Revenues**

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4113 TRANS IN FROM REVENUE			
4410 WATER FEES	50,104.90	90,466.00	89,273.00
4420 SEWER FEES	37,778.85	82,554.00	81,361.00
FUND TOTAL	87,883.75	173,020.00	170,634.00

Revenue Bond Debt Expenditures

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5900 CAPITAL OUTLAY			
10 BOND FEES			
60 CO SERIES 2013		73,791.00	73,791.00
70 CO SERIES 2011	58,008.00	56,842.00	55,674.00
89 RB I&S SERIES 1980			
91 RB I&S SERIES 2004	38,952.50	42,387.00	41,169.00
92 LOAN			
FUND TOTAL	96,960.50	173,020.00	170,634.00

MAJOR BUDGET CHANGES

CITY OF RICHWOOD

SPECIAL FUNDS

SPECIAL FUNDS

PROGRAM DESCRIPTION

The City's Special Funds provide funding for a wide range of projects, such as water or sewer projects or equipment replacement

ACCOMPLISHMENTS

Replacement Fund

Money from the Replacement Fund was used to purchase equipment for Public Works such a low boy trailer for Public Works and a new server for City Hall.

MAJOR PROJECTS FOR FY 2016-16

There are none.

Capital Improvement Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4110 INTEREST	119.38	100.00	
4113 INTRAGOVERNMENTAL			
FUND TOTAL	119.38	100.00	-

Capital Improvement Expenditures

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5240 EXPENDABLE	36,801.03		
5915 CAPITAL OUTLAY			
FUND TOTAL	36,801.03	-	-

Replacement Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4110 INTEREST	60.62	50.00	35.00
4112 MISCELLANEOUS	33,563.90		
4113 INTERGOVERNMENTAL			
FUND TOTAL	33,624.52	50.00	35.00

Replacement Expenditures

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5240 EXPENDABLE	13,002.06		

5310 BUILDING & GROUNDS	15,045.00		
5915 CAPITAL OUTLAY			
FUND TOTAL	28,047.06	-	-

Capital Projects Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4110 INTEREST	353.64		65.00
4112 MISCELLANEOUS			
4113 INTRAGOVERNMENTAL			
4221 BOND PROCEEDS	300,000.00		
FUND TOTAL	300,353.64	-	65.00

Capital Projects Expenditures

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5240 EXPENDABLE			-
5915 CAPITAL OUTLAY	888,367.39		
FUND TOTAL	888,367.39	-	-

Insurance Contingency Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
4110 INTEREST	75.09	60.00	65.00
FUND TOTAL	75.09	60.00	65.00

Insurance Contingency

Expenditures

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5240 EXPENDABLE			
5915 CAPITAL OUTLAY			
FUND TOTAL	-	-	-

MAJOR BUDGET CHANGES

CITY OF RICHWOOD

CRIME CONTROL AND PREVENTION DISTRICT

CRIME CONTROL AND PREVENTION DISTRICT

PROGRAM DESCRIPTION

The Crime Control and Prevention District Fund is a special fund established to record receipts collected by the State for a one-quarter percent sales tax on taxable items sold within the City of Richwood for crime control and prevention programs. District funds are available for crime control and crime prevention programs, including the cost of personnel, administration, expansion, enhancement and capital expenditures related to police and law enforcement programs, community-related crime prevention strategies, treatment and prevention programs, and court and prosecution services.

The original two year financial plan can be summarized as follows:

- Richwood is a City where people feel safe anywhere, all the time.
- Promote preventative efforts and address any increase in crime as well as any other community concerns related to public safety
- Purchase equipment and tools available to Police Department personnel
- To maintain and support the officers serving the City of Richwood
- Enhance the recruitment of high quality officers

ACCOMPLISHMENTS

FY 2014/15 – The money raised was used to purchase and equip 2 new vehicles for the Police Department.

MAJOR PROJECTS FOR FY 2014-15

To help accomplish the stated goals the following resources/equipment/tools are proposed.

Purchase of equipment for the Police Department.

Crime Control and Prevention

Revenues

DESCRIPTION	ACTUAL FY 2012/13	BUDGET FY 2013/14	BUDGET FY 2014/15
TRANS IN - FUND BALANCE			
4110 INTEREST			-
4112 MISCELLANEOUS			
4117 SALES TAX	60,575.42	65,000.00	75,000.00
FUND TOTAL	60,575.42	65,000.00	75,000.00

Crime Control and Prevention

Expenditures

EXPENDITURE CLASSIFICATION	ACTUAL	BUDGET	BUDGET
5100 PERSONNEL COSTS			
03 SALARIES			
05 RETIREMENT			
10 WORKER'S COMP			
15 HOSPITALIZATION			
20 UNEMPLOYMENT INS.			
30 TRAINING & TRAVEL			
90 UNIFORMS		-	
TOTAL	-	-	-
5200 SUPPLIES			
10 OFFICE SUPPLIES			
20 TOOLS	-	12,200.00	
40 EXPENDABLE	2,064.46		
TOTAL	2,064.46	12,200.00	-
5300 MAINTENANCE & REPAIRS			
10 BUILDING & GROUNDS		52,800.00	17,800.00
40 VEHICLE M&R			

65 OTHER EQUIPMENT M&R				57,200.00
TOTAL	-	52,800.00		75,000.00
5900 CAPITAL				

CITY OF RICHWOOD

TRANSPORTATION FUND

TRANSPORTATION FUND

PROGRAM DESCRIPTION

This fund was created by City Council to raise money for streets, sidewalks and drainage. The fund was created as of October, 2012.

ACCOMPLISHMENTS

Repaired Bayou View and N. Mahan as well as portions of Blue Crab Court and Amberjack.

MAJOR PROJECTS FOR FY 2015-16

Repair portions of Bayou Bend, Redfish Trail, Audubonwoods Dr. and Creekwood Landing Dr.

Transportation Fund Revenues

DESCRIPTION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
TRANS IN - FUND BALANCE			
4110 INTEREST			-
4112 MISCELLANEOUS			
4125 TRANSPORTATION FEE	101,018.82	100,000.00	100,000.00
FUND TOTAL	101,018.82	100,000.00	100,000.00

Transportation Fund Expenditures

EXPENDITURE CLASSIFICATION	ACTUAL FY 2013/14	BUDGET FY 2014/15	BUDGET FY 2015/16
5300 MAINTENANCE & REPAIR			
5380 STREETS M&R	77,641.67	25,000.00	25,000.00
5382 SIDEWALKS M&R	-	75,000.00	50,000.00
5385 DRAINAGE M&R			25,000.00
TOTAL	77,641.67	100,000.00	100,000.00
5900 CAPITAL			
5965 STREET PROJECTS			
5975 DRAINAGE			
5985 SIDEWALK PROJECTS			
	-	-	-
FUND TOTAL	77,641.67	100,000.00	100,000.00

MAJOR BUDGET CHANGES



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ORDINANCE NO. 404

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS, MAKING CERTAIN FINDINGS OF FACT REGARDING THE FILING OF A PROPOSED BUDGET FOR SAID CITY BY THE MAYOR THEREOF; ADOPTING A BUDGET FOR SAID CITY FOR THE FISCAL YEAR OCTOBER 1, 2015 - SEPTEMBER 30, 2016; AUTHORIZING AND PRESCRIBING THE METHOD OF CONTRACTING AND PAYING THE ITEMS OF EXPENSE CONTAINED THEREIN; PROVIDING A SEVERANCE CLAUSE; PROVIDING FOR AN EFFECTIVE DATE FOR THIS ORDINANCE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

SECTION ONE (1): - The City Council of the City of Richwood, Texas, find as a matter of fact:

- (A) That, in compliance with the provisions of Section 102, Texas Local Government Code, the Honorable Clint Kocurek, Mayor of said City, prepared the proposed budget for the Fiscal Year beginning October 1, 2016 and ending September 30, 2016 for said City.
- (B) That in compliance with the Texas Local Government Code, the Mayor filed the budget with the Secretary of said City, on June 44, 2016.
- (C) That in compliance with Section 102.006, Texas Local Government Code, public notice of the date, time and place of the hearing to be conducted thereon by the City Council was given.

SECTION TWO (2): - Adoption of Budget

The City Council of the City of Richwood, Texas pursuant to the provisions of Section 102.007, Texas Local Government Code, do hereby adopt said budget for said City for the Fiscal Year which begins October 1, 2016 and which will end September 30, 2016.

SECTION THREE (3): - Expenditures

The City Council of the City of Richwood, Texas, hereby authorizes and prescribes the following method of contracting and paying for the items of expense contained in the budget for the Fiscal Year 2015-2016:

- (A) By Mayor or Mayor Pro-Tem, and City Manager or City Secretary

In addition to paying the salaries of the Secretary, Judge, Police Chief, Police Officers, Public Works Director and other various employees of the City of

Richwood, the Mayor or Mayor Pro-Tem and the City Manager or City Secretary are hereby authorized to contract for and purchase and to issue checks on the funds of the City, not exceeding a total amount of the amount budgeted, in payment of any item of expense authorized by such budget except Fund Balances without further authority from the City Council where the amount to be expended in any one instance is less than Fifty Thousand and no/100 (\$50,000) Dollars.

(B) Expenses of \$50,000.00 or over

The Mayor and City Manager of the City of Richwood, Texas, shall be authorized to contract for and purchase and to issue checks on the funds of the City, not exceeding a total amount of the amount budgeted, in payment of any item of expense authorized by the budget, where the amount to be expended in any one instance is Fifty Thousand and no/100 (\$50,000.00) Dollars or more only after compliance with the competitive bidding requirements of Section 252 of the Texas Local Government Code.

SECTION FOUR (4): - Severance Clause

In the event any section of provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction, such defective section or provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance such remaining sections and provisions shall remain in full force and effect.

SECTION FIVE (5): - Effective Date of this Ordinance

This Ordinance shall be effective immediately upon its passage and approval.

PASSED AND APPROVED this 15th day of September, 2016.

Clint Kocurek, Mayor

ATTEST:

Karen B. Schrom, City Secretary

ORDINANCE NO. 405

AN ORDINANCE OF THE CITY OF RICHWOOD, TEXAS, CONTAINING A PREAMBLE; CONTAINING FINDINGS OF FACT, FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR SAID CITY FOR THE FISCAL YEAR WHICH BEGINS OCTOBER 1, 2015 AND ENDS SEPTEMBER 30, 2016, DIRECTING THE ASSESSMENT AND COLLECTION THEREOF; PROVIDING A SEVERANCE CLAUSE; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE AND APPROVAL.

WHEREAS, the City of Richwood, Texas, was heretofore duly incorporated as a municipality under the provisions of Chapter 11, Title 28, Revised Civil Statutes of Texas (1925); and

WHEREAS, by virtue of Ordinance No. 15 of the City, read, passed, and approved on the 21st day of May, 1963, and pursuant to the authority of Article 961 of said Statutes, the governing body of the City adopted the provisions of Chapters 1 through 10 of said Title 28; and

WHEREAS, a municipality operating under the provisions of Chapters 1 through 10 of said Statutes is authorized by the provisions of Chapter 5 of Title 28 of said Statutes and Article VIII of the Constitution of Texas to levy, assess, and collect an annual ad valorem tax, not to exceed One and 50/100 (\$1.50) Dollars on the one hundred (\$100.00) Dollar valuation of taxable property within its corporate limits, for public purposes, including current expenses, the retirement of lawful debts and the creation of an interest and sinking fund for the redemption of bonds and certificates of obligation to be issued by the governing body of such municipality; and

WHEREAS, pursuant to Section 26.01, Texas Property Tax Code, the Brazoria County Appraisal District certified to the assessor for the City the appraisal roll for the city; and

WHEREAS, on the 31st day of July, 2015, the tax assessor-collector of the City pursuant to the provisions of Section 26.04 of said Code calculated the tax rate and caused notice of such calculation to be published in the Brazosport Facts.

WHEREAS, on the 24th day of June, 2015, pursuant to the provisions of Article 689a-14 of said Statutes, the Mayor of the City filed with the City Secretary his proposed budget for the fiscal year which will begin October 1, 2015 and end September 30, 2016; and

WHEREAS, in order to meet the requirements of such proposed budget, ad valorem taxes must be levied in the amount of Seventy Three and 5680/1000ths (.735680) cents on the one hundred dollar (\$100.00) valuation; and

WHEREAS, Section 26.05 of said Code provides that the annual tax rate for a taxing unit must be set by ordinance, resolution or order, depending upon the method prescribed by law for the adoption of a law by the governing body, and the vote on the ordinance, resolution or order setting the tax rate must be separate from the vote adopting the budget; and

WHEREAS, on the 12th day of September, , a notice was published in the Brazosport Facts stating that a public hearing on the budget for the fiscal year which will begin October 1, 2015 and end September 30, 2016, would be held by the City Council of the City of Richwood, Texas, on Monday, the 14th day of September, 2015 at 6:00 o'clock p.m. in the City Hall of the City located at 1800 Brazosport Blvd. within the corporate limits of the City of Richwood, in Brazoria County, Texas; and

WHEREAS, the above mentioned public budget hearing has been conducted on the day, at the time and in the manner prescribed by Article 29e and Section 102.006, Local Government Code and said budget was adopted at a meeting of the City Council of the City of Richwood, Texas, held on the 14th day of September, 2015 beginning at 6:00 p.m., by separate Ordinance No. 404 of the said City, the budget of the City for its fiscal year which will begin October 1, 2015 and will end September 30, 2016; and

WHEREAS, the City Council of the City of Richwood finds that the taxes for such fiscal year hereinafter levied therefore are necessary to pay interest and to provide the required sinking fund on outstanding time warrants issued for municipal purposes, and on bonds and certificates of obligation proposed to be issued for such purposes during such fiscal year; and

WHEREAS, the City Council of the City of Richwood has determined and does here now declare that the adoption of this ordinance is necessary to the health, safety, morals and general welfare of the City and its inhabitants.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

FIRST, the City Council of the City of Richwood determined and does here now declare that the facts recited in the preamble of this ordinance are true.

SECOND, for the current expenses of the City of Richwood, Texas, and for the general improvement of the City and its property, there is hereby levied and ordered to be assessed and collected during the fiscal year which will begin October 1, 2015 and which will end September 30, 2016, and for each year thereafter until it be otherwise ordered and ordained, on all property, real, personal and mixed, lying and situated within the corporate limits of the City of Richwood, in Brazoria County, Texas, and not exempt from taxation by valid laws, an ad valorem tax at the rate of \$.735680 on the One hundred (\$100.00) Dollars valuation of such property.

THIRD, for the purpose of paying interest and providing a sinking fund on the outstanding time warrants issued for municipal purposes and described in the schedule set out in this section, and for the purpose of paying interest and making provisions for a sinking fund on bonds and certificates of obligation which may be issued during the fiscal year of the City, for the municipal purposes described in the schedule set out in this section, there is hereby levied and ordered to be assessed and collected for the fiscal year of the City, and for each year thereafter until it be otherwise provided and ordained on all property, real, personal and mixed, lying and situated within the corporate limits of the City of Richwood, in Brazoria County, Texas, and not exempt

from taxation by valid laws, an ad valorem tax for the outstanding time warrants and for each issue of bonds and certificates of obligation described in such schedule at the respective rate shown in the right column of such schedule opposite the description thereof, such rates being expressed in amounts on the one hundred (\$100.00) Dollars valuation of such property, the total of said respective levies being \$.73568, said outstanding time warrants and said bonds and certificates of obligation issues, and the amounts of the levies therefor, being as follows, to-wit:

Maintenance and Operation Rate	-	\$.653360
Interest and Sinking Rate	-	\$.082320
TOTAL RATE:	-	\$.735680/\$100

FOURTH, in the event any section or provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgement of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

FIFTH, this ordinance shall take effect and be in force from and after its passage and approval.

PASSED AND APPROVED this the 14th day of September, 2015.

Clint Kocurek, Mayor

ATTEST:

Karen B. Schrom, City Secretary



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BUDGET GLOSSARY

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, a budget glossary has been included in the document.

ACCRUAL BASIS - The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

ACCRUED EXPENSES - Expenses incurred but not due until a later date.

ACCRUED REVENUES - Revenues earned but not yet received.

ADMINISTRATIVE OVERHEAD - Administrative service charges are allocated to all Enterprise Fund activities (water/sewer) for indirect management and administrative support given by general fund departments.

AD VALOREM TAXES - (Current) All property, real personal, mixed tangible, intangible, annexations, additions, and improvements to property located within the taxing units jurisdiction which are subject to taxation on January 1 of the current fiscal year. Following the final passage of the appropriations ordinance, City Council sets the tax rate and levy for the current fiscal year beginning October 1 and continuing through the following September 30th.

AD VALOREM TAXES - (Delinquent) All taxes are due on receipt of bill and are delinquent if not paid before February 1 of the fiscal year in which it is imposed.

AD VALOREM TAXES - (Penalty and Interest) A delinquent tax incurs a penalty of six (6%) percent of the amount of the tax for the first calendar month it is delinquent, plus one (1%) percent for each additional month or portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, the delinquent tax on July 1 incurs a total penalty of twelve (12%) percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. If a person exercises the split-payment option, as provided by the Property Tax Code, and fails to make the second payment before July 1, the second payment is delinquent and incurs a penalty of twelve (12%) percent of the amount of the unpaid tax. A delinquent tax incurs at the rate of one (1%) percent for each month or portion of a month the tax remains unpaid.

APPROPRIATION - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

APPROPRIATION ORDINANCE - The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION - A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Brazoria County Appraisal District.)

BOND - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term “budget” is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the appropriating body.

BUDGET ADJUSTMENTS - A legal procedure utilized by the City staff and City Council to revise a budget appropriation. City staff has the prerogative to adjust expenditures within a departmental budget.

BUDGET CALENDAR - The schedule of key dates or milestones which the City departments follow in the preparation, adoption, and administration of the budget.

BUDGET DOCUMENT - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

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BUDGET MESSAGE - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Mayor.

BUDGETED FUNDS - Funds that are planned for certain uses but have not been formally or legally appropriated by the legislative body. The budget document that is submitted for Council approval is composed of budgeted funds.

CASH BASIS - A basis of accounting under which transactions are recognized only when cash changes hands.

CASH MANAGEMENT - The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

COST - (1) The amount of money or other consideration exchanged for property or service. (2) Expense.

COST ACCOUNTING - That method of accounting which provides for assembling and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operations, or to complete a unit of work or a specific job.

CURRENT TAXES - Taxes that are levied and due within one year.

DEBT SERVICES - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

DEFICIT - (1) The excess of liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

DELINQUENT TAXES - Taxes that remain unpaid on and after the date on which a penalty for non-payment

is attached.

DEPRECIATION - The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

ENTERPRISE FUND - A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) for providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability, or other purposes.

ENCUMBRANCES - Commitments related to unperformed (executory) contracts for goods or services.

EXPENDITURE - This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. Any encumbrance reserves funds to be expended.

EXPENSES - Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

FISCAL YEAR - The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Richwood has specified October 1 to September 30 as its fiscal year.

FIXED ASSETS - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FRANCHISE TAX - This is a charge paid for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise taxes, inspection fees, and/or charges of every kind except Ad Valorem and special assessment taxes for public improvements. Current franchise taxes include: gas, cable TV, electric, telephone, and sanitation.

FUNCTION - A ground of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

FUND - An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

FUND BALANCE - Fund balance is the excess of assets over liabilities and is therefore also known as surplus funds.

GENERAL FUND - The fund used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS - Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the General Fund, and these bonds are backed by the full faith and credit of the issuing government.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) - Uniform minimum standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. They encompass the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. They provide a standard by which to measure financial presentations.

GRANTS - Contributions of gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

INTERFUND TRANSFERS - Amounts transferred from one fund to another.

INVESTMENTS - Securities and real estate held for the production of revenue in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

LEVY - (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

LONG-TERM DEBT - Debt with a maturity of more than one year after the date of issuance.

MODIFIED ACCRUAL BASIS - The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred except for: (1) Inventories of materials and supplies which may be considered expenditures either when purchased or used. (2) Prepaid insurance and similar items which need not be reported. (3) Accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger than normal accumulations must be disclosed in the notes to the financial statements. (4) Principal and interest on long-term debt which are generally recognized when due.

OBJECT CODE - Expenditure classification according to the types of items purchased or services obtained; for example, services, materials, supplies and equipment.

OPERATING BUDGET - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even where not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

OPERATING EXPENSES - Proprietary fund expenses which are directly related to the fund's service activities.

OPERATING GRANTS - Grants which are restricted by the grantor to operating purposes or which may be used for either capital or operating purposes at the discretion of the grantee.

OPERATING REVENUES - Proprietary fund revenues which are directly related to the fund's primary service activities. They consist primarily of user charges for services.

ORDINANCE - A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less formality and has a lower legal status. Ordinarily, the statutes will specify or imply those legislative actions which must be by ordinance and those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

PERFORMANCE AUDITS - Examinations intended to assess; (1)The economy and efficiency of the audited entity's operations and; (2) Program effectiveness-the extent to which program objectives are being attained.

PERFORMANCE MEASURES - Specific quantitative and qualitative measures of work performed as an objective of the department.

PROGRAM DESCRIPTION - Describe the nature of service delivery provided at this level of funding.

PROGRAM OBJECTIVES - Quantifiable steps toward accomplishing stated goals. They should have a specific time frame or measurable achievement. Objectives should be able to be reached or completed within the current fiscal year.

PROGRAM GOALS - Program goals describe the purpose or benefit the division/department plans to provide to the community and/or organization it serves. Goals identify the end result the division/department desires to achieve with its activities, but goals are often ongoing and may not be achieved in one year.

PROPERTY TAX - Property taxes are levied on both real and personal property according to the property's valuation and the tax rate.

RESERVE - An account to use to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

REVENUE BONDS - Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund's property.

REVENUES - (1) Increases in governmental fund type net current assets from other than expenditures refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers in are classified as "other financing sources" rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers in are classified separately from revenues.

SALES TAX - A general "sales tax" is levied on all persons and businesses selling merchandise in the city limits on a retail basis. Monies collected under authorization of this tax is for the use and benefit of the City; however, no city may pledge anticipated revenues from this source to secure the payment of funds or other indebtedness. The current sales tax for the City is 8.00% (1% rebated to the City from the State and the balance retained).

TAX RATE - The amount of tax stated in terms of a unit of the tax base; for example, \$.50 per \$100 (one hundred dollars) assessed valuation of taxable property.

TAX RATE LIMIT - The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments, or to all governments in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

TAX ROLL - The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two can be distinguished.

TAXES - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

TRIAL BALANCE - A list of the balances of the accounts in a ledger kept by double entry with the debt and credit balances shown in separate columns.

UNENCUMBERED BALANCE - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.